

The NATIONAL UNDERWRITER

Life Insurance Edition



RUSSELL W. HUETHER

Russell W. Huether, age 29, has been a member of our St. Louis Agency since his return from naval service in early 1946.

With no previous Insurance experience whatsoever, and through concentration on Franklin exclusive contracts, Russell Huether has far exceeded his fondest expectations.

Here is a record of his earnings:

Cash Income	
1946 . . .	\$ 2,372.32
1947 . . .	8,919.50
1948 . . .	11,055.41
1949 . . .	13,459.64

We are very proud of this fine young member of the friendly Franklin family.

"I had no previous Insurance experience whatsoever..."

Mr. F. J. O'Brien, Vice President
The Franklin Life Insurance Company
Springfield, Illinois

Dear O'B:

Four short years ago—April 15, 1946—I discarded my sailor garb and donned my civies, anxious to start a career in the insurance world. After careful investigation I placed my fate in the hands of the good ship "Franklin Life" because I was assured by my prospective General Agent that I would earn far more than the \$250.00 per month I needed for myself and family to live on.

I must confess, little did I realize the unlimited opportunity the "friendly Franklin" offers a young man eager for a real career, not only from a professional point of view but, also, from a financial outlook.

You folks at the Home Office have placed absolutely non-competitive policy contracts in our "kit of tools," and you certainly show a genuine interest in the activities of your men in the field.

As I have told you before, I am proud to be associated with an organization as aggressive as the Franklin Life. And when I look at the record of my earnings for the past four years—why shouldn't I be?

With best personal wishes to you fellows behind the team, I am,

Sincerely yours,

Russ Huether



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

OVER \$800,000,000 INSURANCE IN FORCE

FRIDAY, JULY 7, 1950



"Always keep your guard up, Son!"

It seems as if it's never too soon to start teaching Junior how to protect himself. But when you get right down to it, the main job of "protecting" falls on *your* shoulders. And that's a job that calls for life insurance.

The only trouble is, a man's family and responsibilities have a knack of growing faster than his income. Which is not as much of a problem as it appears to be...not if you know about The Union Central policy called "Term-to-65."

"Term-to-65" was designed especially to fit the needs of a family growing on a budget. It is low pre-

mium insurance that adapts to the economic cycle of a man's life. In other words, "Term-to-65" costs so little that it enables you to buy the greatest amount of protection when your family needs it most. Then, as your income increases and you begin to consider an Ordinary Life Policy, an Endowment Policy or a Retirement Income Policy, "Term-to-65" makes it possible for you to convert to any of these, or other forms of permanent life insurance any time up to age 55.

And you can convert from "Term-to-65" to any other form of permanent life insurance *without a further physical examination.*

"Term-to-65" gives you maximum protection now and insures your insurability in the future. It is flexible life insurance, adaptable to your needs and your circumstances.

* * * *

The Union Central agent has a plan to meet every life insurance need. He has contracts ranging from Non-Convertible Term, the lowest premium policy of all, to Single Premium Endowment, the highest. Through these modern, liberal policies, he can provide the finest possible life insurance coverage for applicants from birth to age 65, inclusive.

The Union Central Life Insurance Company

CINCINNATI, OHIO

Enlarged, Improved "Unique Manual" Comes Off Press

**Companies Added:
Joint & Survivorship
Annuities Included**

By LOUIS H. MARTIN

The answer to almost any conceivable fact or figure question that a life insurance field man may ever want or need, is provided in the new up-to-date 1950 "Unique Manual" of life insurance, recently published by The National Underwriter Co. Treating over 450 companies in its 1,600 pages, this 52nd annual edition presents a truly encyclopedic coverage of modern life insurance. Compressed between its two covers is undoubtedly the most comprehensive picture of up-to-date life insurance facts and figures available from any single source, in fact its scope is such that were it not for the carefully planned method of presentation, the information it provides would require several volumes.

In four major sections, the "Unique Manual" presents (1) a broad treatment of each company's financial development and standing, (2) a thorough and easy to use analysis of the policy contracts issued, (3) the broadest coverage of rates, values, options, dividends and cost data available anywhere, and (4) a special programming, settlement option and reserve table section, through which the incomes payable under practically all life insurance in force today are shown. Many other useful details are covered in numerous sub-sections.

Much Information Changed

Much information has been changed since last year's edition. Many companies have added new policies, revised rates, adopted new dividend schedules, or changed practices and limits. There has been a trend toward lower term rates, more liberality in aviation underwriting and to higher limits. Much about the book itself has been changed as well. Quite a few new companies have been added, and new showings of accumulated dividends and the years to pay up or to mature a policy by dividend accumulations are now included. There is also a new section devoted to joint and survivorship annuities. Many other smaller additions have been made including such things as the refund or collection of balance of year's premium after death and the par value of capital stock.

In its first major section, called "National Underwriter Reports," all of the useful official facts and figures concerning the development and present standing of each company—both large and small—are presented. Here is where the company itself is considered, what and where it writes, its historical development, officers, dividends to stockholders and policyholders, the important items from its financial statement. Here also is a showing of the companies which have changed names, merged or been reinsured since 1920, a ranking of the life companies by insurance in force, and a 70 item analysis of the latest annual statements of 240 companies—the most detailed analysis available from

Jensen Wins N. D. Nomination

J. A. Jensen of Jamestown, it now turns out, was the winner of the Republican nomination for North Dakota insurance commissioner in the primary election. In view of the fact that early reports indicated that Republican Organizing Committee or ROC candidates were victors in the primaries, it was at first assumed that Oscar Troyer of Rugby had won the insurance commissioner nomination but Mr. Jensen, who is a Non-Partisan League man, won out. Otto Krueger, the incumbent, was not a candidate. Mr. Jensen is an employee of the weights and measures division of North Dakota public service commission.

One of the planks of Non-Partisan League is the establishment of a state fund for auto third party liability insurance. However, ROC apparently controls the legislature and it is hoped that the state fund proposal can be stopped.

The Democratic nominee for commissioner is Henry W. Anderberg.

The three top candidates on the Republican ballot, Senator Milton R. Young, Fred G. Aandahl for Congress, and Norman Brunsdale for governor were all nominated by the Republican party by a large majority. All of these men belong to the ROC. Aandahl is the present ROC governor and was the only candidate for Congress in the ROC faction, William Lemke having died after the time for filing nomination petitions had expired.

any source except the convention form itself. In the some 380 pages of this section, is information that would require nearly 1,000 pages if presented in the manner used by other reporting services. Here you have extremely complete facts about each company, not opinions, but rather all of the significant factual information on which to form judgment of a company.

Scope Beyond Other Compilations

Following the report section of the "Unique Manual" are nearly 1,100 pages devoted to the contract, and to rates, dividends, costs, settlement option and surrender value information, the scope of which goes far beyond all other compilations of this type. The "obsure" but significant provisions of each company's contract are brought to light in concise paragraphs, presented in orderly arrangement, emphasizing the important items and minimizing but not disregarding the less important. Company practice as well as contractual provisions are both carefully covered. Rates are presented on many thousands of contracts not available elsewhere. The dividend and cost data and the surrender value information far exceeds that provided in the smaller pocket references. Especially important is the information provided on the smaller companies, data not available anywhere else, and the numerous sub-sections covering juvenile insurance, industrial, single premium contracts, annuities, social security and national service life insurance.

Some 150 pages of reserve tables and other useful tables including a broad treatment of C.S.O. reserve and minimum cash values and a large number of American experience tables are also provided. Settlement option incomes for old contracts, covering practically all issues for the last 40 years are shown through indexed tables which give the exact incomes payable.

Truly a consolidation of many reference books into one, this "standard of authority" treats all companies, large, (CONTINUED ON PAGE 20)

International A. & H. Assn. 1952 Meeting To Asbury Park

Asbury Park, N. J., with the Berkeley-Carteret hotel as headquarters, was awarded the 1952 convention of International Assn. of A. & H. Underwriters on its Great Lakes convention-cruise last week. The invitation for Asbury Park was extended by the New Jersey, Philadelphia, District of Columbia, New York City and Brooklyn associations, which will be joint hosts. Richard Caldwell, United States Life, Newark, co-chairman with Thorn W. Mock, National Accident & Health, Philadelphia, of the convention committee which already has been set up by those associations, explained their plans and their work which has been done already in preparation for the convention.

Chicago had extended an invitation for 1952 last year, but Irving G. Wessman, Loyalty group, its delegate, withdrew in favor of Asbury Park and shifted Chicago's invitation to 1953.

Dallas in 1951

Dallas already had been selected for 1951. The convention dates there will be June 10-13.

Charles E. Rea, Provident Life & Accident, Toronto, was elected treasurer, starting him up the ladder to the higher post. He is the first Canadian to be elected as an officer of the association.

New members of the executive board are Leonard McKinnon, Hoosier Casualty, Flint, Mich.; Raymond R. Ross, Equitable Life & Casualty, Salt Lake City, and Harry C. Hawthorne, H. C. Hawthorne & Co., Boston. Jay De Young, Continental Casualty, Chicago; Harvey D. Quigley, Mutual Benefit H. & A., San Francisco, and Paul Williams, World, Indianapolis, who were filling out unexpired terms, were elected for full terms.

Pardee Heads Leading Producers

J. Keith Pardee, Mutual Benefit H. & A., Lansing, Mich., who is president of the Central Michigan association, was elected chairman of the Leading Producers Round Table at its annual meeting on the convention-cruise of the International Association of Accident & Health Underwriters. He was authorized to select his own vice-chairman. He named to that post Harvey C. Couthup, Mutual Benefit, Unionville, Ont.

The basis for qualification for membership was changed to require a minimum annual production of \$7,500 in accident and health premiums instead of \$5,000 as heretofore. Sidney Fields, Massachusetts Indemnity, Cleveland, the retiring chairman reported that membership now stands at about 300.

Mrs. Maryland Hull, Zurich, who has just retired as head of the women's division of the Chicago association, was elected chairman of the women's division of the International to succeed Mrs. Ethel Smith, Washington National, Cleveland. Miss Marie Meade, executive secretary of the Health & Accident Underwriters Conference, Chicago, became vice-chairman and Mrs. Helen Patterson, Continental Casualty, Flint, Mich., was reelected secretary-treasurer.

Awards Made

Awards for membership gains were made to the Alabama and Falls Cities (Louisville) associations for percentage of increases in membership and to Hartford and Oklahoma for numerical increase, both having doubled their membership the past year.

Tax Revision Hearings Begin Before Senators

**Insurance Representatives
Warned to Avoid
Duplicating Testimony**

Insurance interests applying for time at Senate finance committee hearings on the tax revision bill which began Wednesday must avoid duplicating testimony before the House ways and means committee, Chairman George has warned. He planned to limit hearings to a week or 10 days.

Life insurance representatives, however, it is believed, can ask for application of the Canadian system to annuity taxation.

Meanwhile, the Treasury extended from July 15 to Sept. 15 the time limit for filing life insurance company tax returns for 1949.

Secretary Snyder, testifying Wednesday before the finance committee supported the Doughton proposal to tax life insurance companies, in the following statement:

Minimum Goal

"It should be our minimum goal to assess for those years in which no tax was paid the amount called for by the house bill. The industry has the required resources and has been prepared to pay the amount in question. In 1948, for example, the increase in surplus was about 10 times the tax liability which would be imposed under the House bill for that year. For the smaller companies the ratio is even more favorable. There is evidence that at least some of the insurance companies have set up special tax reserves to cover the tax liabilities under this legislation which has been under discussion since 1947.

"The investment income of life insurance companies now exceeds \$1.7 billion annually. Their investment assets, now aggregating more than \$60 billion, comprise an important part of the total national wealth. Continued inadequate taxation of the life insurance industry would be detrimental to our economy and to the long-run interest of the industry itself.

Would Yield \$55 Million

"In view of the shortness of time for considering methods of permanent revision of the life insurance tax provisions this year, I recognize the need for extending the house-proposed stop-gap formula to 1950. Such extension is included in the House bill. This would yield \$55 million. However, I believe that the congress should make clear that this is intended only as a temporary solution. I urge active consideration of permanent revision. The department is prepared to cooperate with the congressional committees in developing a solution to this problem."

Matthews Joins Mutual Trust

Roy G. Matthews has been appointed general agent for Mutual Trust Life at Flint. He was formerly with Ohio National Life in Flint and Pontiac. He is president of Life Managers and General Agents Assn. of Flint.

Better Letters Campaign

New York Life Views 500,000 Letters Annually as Public Relations Contacts

New York Life, which sends out more than 500,000 individually dictated letters from the home office annually, is enjoying very satisfactory results from a letter improvement campaign it began last November. The half million correspondence contacts are regarded as public relations opportunities and responsibilities for the company.

The program was started among groups of the 350 correspondents in various home office departments. It is on a voluntary basis among departments and is conducted by the public relations staff. The training features four one-hour roundtable guided conferences over a two-week period. A classroom atmosphere is avoided at these sessions.

Roundtable Sessions

The letter writing conferences are initiated by interested departments. At the first meeting of the group each participant is invited to have carbons made of 20 different letters. During the week following the last meeting these letters are reviewed by the public relations staff and returned to the individual. No effort is made to rate the contents or quality of the letters. The suggestions remain confidential. No reports are made to anyone. This has averted resentment from personnel and created a relaxed and cooperative spirit which contributes to the success of the program.

A total of four samplings are made once each week for the next four weeks. At the end of six weeks the correspondent will have had 80 letters individually criticized. A six week interval follows before another meeting is held. A further sampling of correspondence is then taken to check on improvement, style development, etc. These samplings continue indefinitely. Experience has shown that good letter writing principles apply to every phase of company operation from policy and mortgage loans to the removal of underwriting ratings.

Monthly Bulletins

A bulletin which keeps correspondents up to date on the program and its results is sent out each month. The bulletin helps maintain an interest in letter writing which can easily become a dull subject. In addition, each month a particularly effective model letter that has been written is reproduced in the bulletin and sent to those that have taken part. These bulletins maintain a sort of community of interest among correspondents.

Correspondents are told to use a psychological approach in their letters. For example when a request can be satisfied in whole or in part the policyholder is told of this right away. The real test comes when a refusal or a "No" letter must be written. Every effort is made to show the policyholder that his problem has been given complete consideration. He is given a polite, factual explanation as to why his request cannot be fulfilled.

MANUAL COPYRIGHTED

A booklet containing instructions on letter writing techniques, proper phraseology, and up-to-date procedure has been prepared and copyrighted by the company. One of these manuals is given to each one who takes the course.

The manual says that letters should not only be informative but should also make new friends for the company as well as increasing good will among old friends. It stresses that simple words and short sentences be used. Words with more than one meaning must be watched, it says. There is listing of plus and minus words. It is suggested that the latter not be used. Examples

of these are death, wrong, negligence, etc.

A section is devoted to "How To Say No." With "No" letters for example, correspondents are urged to answer promptly, be friendly, explain why, emphasize the positive, and not to apologize too profusely. To say only "It is not the policy of the company" in answer to a request is very annoying, the manual points out, suggesting that the phrase no longer be used without supplementary explanation.

Parts of the manual are devoted to letters and human nature. Old fashioned letters are contrasted with modern models. There is a section on simplicity, a glossary of "windy words" and a section on planning a letter.

The correspondents like the course. It gives them an opportunity to express their personality in a letter and avoid a dull, stereotyped format. Policyholder reaction has been very favorable. The public relations department is quite pleased with the collection of letters received from policyholders who have mentioned that they like some letter sent to them since the program started.

Interest is kept up among those who have taken the course through the bulletins which also include a question and answer service on correspondence problems.

LETTER DISPLAY

Additional interest has been stirred up in the letter writing campaign by a display in the home office library of company letters that were sent out during 1850-1900. These are compared with letters being sent out in 1950. The

changes in style and technique are graphically brought out with samples from company correspondence.

Typewritten letters do not appear until the period around the 1870s. One of the first typewriters is on display as well as a reproduction of the first typed letter written by Mark Twain. It was at about that time that the Spencerian pen with the metallic point was invented. This produced a great improvement in legibility and penmanship over the quills formerly used.

The exhibit includes a number of historic letters from policyholders. The earliest one of these was written in 1852 by a policyholder named Mary Bradford of Baltimore. She said, "If I could I would desire to increase the amount of insurance to the utmost limits. Small as is the sum it costs much self denial to spare it—but what is self denial to the mother of two noble boys whom even this sum may aid to educate."

Fort Sumter Letter

Another letter on display was written from Fort Sumter, S. C., several months before that fort was attacked in the spring of 1861. It was written by Captain G. F. Foster of the Union army who was working on the fort. He said, "Being insured in your company I am desirous to be informed whether in case we are attacked by the forces of South Carolina and I lose my life in the defense, the company will pay the amount of my policy to my family."

Another letter is from Edward Everett Hale, Boston author and educator. It was written in 1871 and at the time was widely circulated as a sales aid among the company's agents.

Another letter on display was received from the widow of President Garfield. She thanked the company for its prompt payment of a \$25,000 policy which had been issued on President Garfield about six months before he was assassinated.

Many interesting and historic letters
(CONTINUED ON PAGE 15)

Large Sales From Incidental Contacts

At the recent Penn Mutual regional meeting at Ponte Vedra, Fla., Elizabeth S. Mowatt of the Pomeroy agency at Miami, caught the interest of her audience with a recitation of how she has been able to make life insurance sales as a result of her ordinary daily contacts in stores and in making several other ordinary purchases. She attributes these cases to her genuine interest in the other fellow's needs.

She told for example how the watchband on her wrist, recently purchased from a Coral Gables jeweler, netted her an application for \$25,000 on the owner of the jewelry store. She hadn't intended to sell this gentleman life insurance, but the conversation centered on a nine year old son who was invalided due to several unsuccessful operations.

She reported that the frock she wore resulted in the placing of a partnership case for \$10,000 on the lives of the owners of the dress shop, one of whom has a son age 14.

\$20,000 Can of Paint

Miss Mowatt told how she bought a quart of paint last month and placed a \$20,000 partnership case on the owners of the paint company.

On one Saturday she stopped at a market and bought a dozen oranges. The lady who waited on her mentioned that her husband had recently died and left no life insurance. It turned out that her son, age 37, stood nearby and upon being introduced to Miss Mowatt, became interested to hear that she was in the life insurance business. They exchanged ideas on the subject, always guided by the example of the uninsured father, and the young man was examined.

Miss Mowatt stopped at a travel bureau to ask the fare to Havana. A discussion with a young lady in charge led to a dinner appointment with her and her husband and she placed \$5,000 retirement income on his life. She commented that an interesting feature of the case is that the two are from Rio de Janeiro. Because of the frailty of the economic structure in South America, the natives of that continent are anxious to purchase American security whenever possible. The Brazilian question has referred Miss Mowatt to several of his associates and started a whole new avenue of prospects among Brazilians.

Law Classed as Industry in Pa. for Group Purposes

HARRISBURG, PA.—Attorney General Chidsey has ruled that members of Pennsylvania Bar Assn., with certain exceptions, are eligible for group life insurance for themselves and their employees. The opinion was issued at the request of Commissioner Leslie.

Pointing out that the pursuit of jurisprudence can properly be classed as an industry under the group insurance laws of the state, the opinion drew the line, however, on attorneys working for governmental agencies and having no private practice. Separate groups of lawyers, not members of the association, could be formed for group life insurance purposes, the opinion stated.

Sentence Annuity Defrauder

Charles F. Tucker, the subject of a 10-year search in a \$340,000 life insurance fraud, in Indianapolis federal court was sentenced to 10 years in the Terre Haute federal penitentiary. Tucker was convicted of using the mails to defraud in issuing bogus annuity policies to elderly persons. He had kept the bad policies secret for seven years making benefit payments in person to customers. He was captured in April when he stepped into a trap set for him at a post office in Russell, Ky. He fled Indianapolis in 1940.



Selling is a Profession

There was a time when the word "salesman" was synonymous with a fast-talking, cigar-smoking, checkered-suit individual, full of whiskey, corn and jokes.

Today's salesman, however, is a "professional" in the truest sense of the word. He must be better trained. He must know the needs of his prospect more thoroughly and be able to meet those needs more effectively than ever before. He must know what he is selling and know how his service or product will best serve his customers. The basis of selling is *servicing* and for this reason it is a profession. Whether he is behind the counter, goes from door to door, or works a certain territory, the salesman of today must give service that satisfies . . . *service that is professional.*

Insurance in force June 1, 1950—\$449,155,909

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LIFE INSURANCE COMPANY
LOUISVILLE

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Race for DBL Business Ends; Production Picture Muddled

NEW YORK—The race for disability benefits business officially ended June 30 but a clear statistical picture of what happened has not yet formed. Many employers and brokers had not placed their business by the final day.

Many cases were not filed until well into the early part of July. Union and association cases are expected to be straggling in for some time.

There was a loophole in the law which gave employers a reprieve until July 10 though insurers had to file a certificate by then stating that the employer was covered from July 1.

One office that was open July 3 wrote 200 cases on that day. It expected to remain open through Saturday night July 8 to complete the job.

Figures Not Available
Production statistics and competitive figures are still muddled. In the rush to get the business entered on the books accurate record keeping was temporarily forgotten. It may take another week or two or longer for a clear picture to develop.

Production estimates were complicated because companies have different ways of keeping figures. Some register volume by lives, some by cases, policies, others by premiums, etc.

Many employers technically did not qualify before the law's deadline. Plans were still being written during the first week of July. The workmen's compensation board was said to be understandably lenient.

Delayed filings were caused by a number of factors the predominant one being that DBL business for many months was largely sold in a shoppers' market. The shopping was being done by employers and by brokers. Some procrastinated until the last week waiting for a major break in the rate front. Though the break never appeared, there was considerable refiging of rates and changes in proposals. This kept producers and employers in a lather trying to keep up to date. Much business gravitated to places where the immediate cost figures looked lowest.

Recording Methods Vary

The premium and rate situation was caused by the use of group life, group A. & H., and workmen's compensation rating and premium computation methods and variations of all of them by different carriers. Companies vied with each other for developing new and handy and quick ways of writing the business. It was impossible to keep up with all of them.

The production drive began originally with estimates that the law would affect about 175,000 employers and six million employees. However, about half of those were already covered under group A. & H. contracts. The workmen's compensation board estimated in the week before the deadline that some three million employees would not be contributing under the new law. Generally this was because they were already covered under some plan.

There were no individual company production figures available, nor was there authoritative information on how many lives the state fund had written or how many employers were self insured.

Counting cases was an unreliable procedure because some included several hundred employers. A case could represent either four employees or 5,000.

SHOPPERS' MARKET

Except where a welfare plan coincided with the installation of disability benefits the majority of the business was for statutory coverage only. This tied up with the shoppers' market philosophy. Some brokers reported that

employers had told them that they thought the insurance industry had put DBL on the books to get premium volume. Brokers had little time to correct these misconceptions.

If any employers failed to get in under the deadline it was not because the insurers did not try to contact them. The primary reason was failure to act or make a decision. Many employers were contacted a dozen times. One group man said that employers and group men were mutually and generally "sick of each other" and would be glad to stay out of each other's company temporarily.

Some northern New Jersey producers came over to New York to write business. One Newark agency wrote 100 cases in the New York area without trying very hard because its company had another office there working on it. Some New York brokers live in New Jersey and control New York business. Some placed it in New Jersey. New Jersey producers were seasoned by their state's temporary disability benefits law and capitalized on their experience of a year and a half ago.

Renewal Competition

One group life man said that a trend that would probably develop because of the rating situation was that in the future it would be fair game to compete for DBL renewals. This is contrary to the usual practice in the group field where employers have remained with a group insurer once he bought some group coverage from it. Now it may develop that there will be switching at the end of quarterly or annual periods where no other group coverage is involved.

One late estimate was that the state

fund had written 5,000 cases with an average of seven employees per group. This was not official.

Though a number of the bigger group life companies had a large bundle of the business tied up before the production drive started they apparently did not get as much new business as they expected. They were generally satisfied with what they got but there was no denying that some of the casualty companies had stirred up the market and took a good volume of the cases that were open for competition. This was especially true of smaller cases. Some life companies reacted, by stating that the rates charged by some companies were too low and might give trouble next year.

Concern About Rates

One company said that it figured some weeks before the campaign ended that it was going to get less business than it originally anticipated. This amount was less than "perhaps it should have had by reason of its position." However, the company decided to hold to its rates. It attributes losing some cases to that decision. The company said, however, that it was not interested in making "fantastic retention promises that it couldn't keep. Mature claim experience is going to be troublesome to companies that let their enthusiasm for business get the better part of their rate making knowledge and experience," a representative of that company said.

Some predicted trouble when the time comes to calculate the assessments to be paid by employers for the disabled unemployed.

At present the New York group situation is one of a "DBL hang-over" that is scheduled to last for some weeks while companies are getting the details of administration and service rolling smoothly.

Asked to sum up the situation one
(CONTINUED ON PAGE 15)

Metropolitan Life Will Discontinue Nursing Service

Due to the greatly expanded use of the facilities of hospitals, the large growth in the number of agencies now providing bedside nursing on an increasing scale, and the resulting very considerable diminution in the requests from its policyholders for its nursing service, Metropolitan Life has decided to discontinue that service in its entirety not later than Jan. 1, 1953. President Leroy A. Lincoln sent a statement to this effect to the company's field force, to the affiliated nursing associations and to its own visiting nurse staff.

The company had reached the conclusion that the use of this service did not warrant its continuance in the light of the opportunity to serve the interests of all policyholders in other ways. Every effort will be made by the company to assist in the development, through other means, of vigorous and permanent community nursing services, particularly of the voluntary type.

Proposes 3 Sets of Rules to Settle Credit Problem

RALEIGH, N. C.—Because of objections voiced at a public hearing, Commissioner Cheek is considering a new approach to the credit insurance problem.

After a series of conferences in April, the commissioner proposed a dozen regulations intended to prevent such practices as loading borrowers with unneeded insurance. So many questions were raised, that he called the hearing.

Now, as a result of the hearing, he is considering the promulgation of three different sets of regulations. One would apply to life insurance, another to A. & H., and the third to auto P.D. The latter, according to Mr. Cheek, would take recognition of three types of sales agreements—conditional, chattel mortgage, and discount.

A preference for separate regulations for each type of coverage was expressed at the hearing, and it was pointed out this would prevent a regulation which was intended to apply to one type from inadvertently applying to another.

One objection was lodged to a provision which would require that a policy be issued to the assured. Another objection was made to a stipulation that the loan application contain the information that the borrower could select the agent or company from which he wished to purchase insurance.

Report Am. National Buys St. Louis Company

According to reliable reports American National has purchased Commonwealth Life & Accident of St. Louis. This is an industrial company with a debit of about \$90,000. The principal owners of Commonwealth have been N. S. Binder, president; Max Lubin, chairman, and Joe Ivanhoe, vice-president. The secretary, A. S. Kopf, is still at the St. Louis head office.

American National earlier this year purchased Physicians Life & Casualty of St. Louis.

Constitution Names Massey

Fred H. Massey has recently been appointed agency supervisor for Constitution Life at Salt Lake City. Mr. Massey was formerly in the agency department at the home office.

A new appointment in Salt Lake City is the Monarch Underwriters, general agency for Utah and Colorado. Seth M. Oberg is manager. Another general agency appointment is Intermountain agency, Salt Lake City, general agents for Idaho with H. C. Papenfuss as manager.

Estate Analysis

Joseph F. O'Connor, member of our Frederick A. Schnell Agency, Los Angeles, giving his impressions of recent trends in selling, said:

"The one selling idea that is particularly useful to me is the estate analysis approach with the use of the Estate Questionnaire. However, I have been using a mortgage and educational idea as a door-opener for an approach, then later getting into the estate analysis.

"I have made, or made an effort to make, a shift in prospecting by attempting to reach the higher income people through referred leads, and most of all through Direct Mail. It is necessarily a slow process but an extremely profitable one.

"I don't find any obvious trend on the part of the public toward any particular type of selling or plan. There seems to be a bit more interest in Business Insurance and Mortgage Insurance than there was before, and, of course, in the higher income group a great deal of interest in the estate analysis."

THE PENN MUTUAL LIFE INSURANCE CO.

MALCOLM ADAM
President

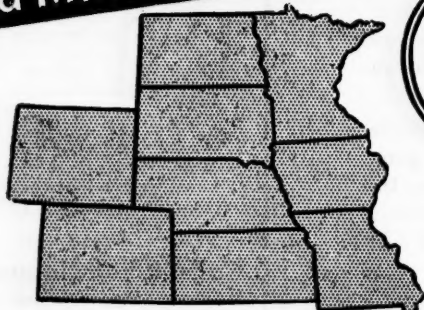
INDEPENDENCE SQUARE, PHILADELPHIA

We Salute...

the members of Bankers Life's field organization who, during our Anniversary Campaign just ended, accounted for another outstanding production record.

BANKERS LIFE
INSURANCE COMPANY
of NEBRASKA
HOME OFFICE • LINCOLN

Just a Minute, Please!



**Agency
Builders
Needed**

RAYMOND F. LOW, President

AMERICAN RESERVE LIFE
Insurance Company
OMAHA

LIFE — ACCIDENT — HEALTH — HOSPITALIZATION

Launch Wash. UCD Referendum Fight

SEATTLE — The campaign against referendum 28, the Washington compensation disability law enacted by the 1949 legislature and "stayed" by over 70,000 voters who signed the initiative petitions, is warming up.

This week a state-wide committee was launched under the chairmanship of Smithmoore P. Myers, Seattle, Democrat and attorney. Lulu M. Fairbanks, Seattle newspaper woman, is vice-chairman and E. R. Bowden is secretary-treasurer.

Mr. Myers said a state-wide committee representing labor, civic, taxpayers and business groups is being formed to combat the measure at the November general election.

This will be the first time in the history of social-pay-check-deduction legislation that the voters will have an opportunity to express their views.

Adams of Sun Life Heads Canada Life Institute

At the annual meeting of Life Insurance Institute of Canada, W. J. Adams, Secretary of Canada Life, was elected president. Other officers elected were: P. McDonald, Crown Life, first vice-president; H. L. Guy, Mutual Life of Canada, second vice-president and T. M. Sargent, North American Life, secretary-treasurer.

J. L. McLachin, secretary of Confederation Life, the retiring president, reported that membership last year totalled 2,053, a new high since organization in 1936. Instructional courses and examinations were sponsored for employees of more than 35 companies. More than 1,000 candidates wrote over 3,300 examination papers, a considerably greater number taking part in this endeavour than in any previous year, he said.

Canadian Life Companies Cut Government Holdings

For three years in a row, life insurance companies in Canada have reduced their holdings in Canadian government bonds, according to the annual report of Dominion Mortgage and Investment Assn. At the same time, life companies have increased their holdings of provincial, municipal and corporation debentures.

A feature of the report is the sharp increase registered in the amount of mortgage loans, the gain in this category amounting to \$135 million in 1949.

"A continuation of the trend of the past three years for two more years might very well see the proportion of Dominion and foreign government bonds down to prewar levels," the report states.

Gift for Corell

LANSING—Members of the Michigan department staff presented a picnic bench to Mr. and Mrs. Horace B. Corell at a farewell luncheon given for the retiring first deputy of the department. L. H. Sanford, second deputy, served as master of ceremonies at a brief speaking program. L. M. Moore of the fire division made the presentation and other speakers were Miss Antonia Stafanek, secretary to Commissioner Forbes and Mr. Corell, Herbert Thompson, head of the life division. Some 50 employees attended.

Kieran Joins Mutual Life

Dr. James M. Kieran has joined Mutual Life of New York as physician in charge of the employee medical clinic. Dr. Kieran is the son of John Kieran, editor of the "Information Please Almanac", television star and former sports columnist for the New York Times. Dr. Kieran was trained at Columbia and served in the army.

Hall Travelers Agency Secretary

James A. Hall has been appointed agency secretary of Travelers, succeeding Walter E. Mallory who retired earlier in June.

Mr. Hall has been with Travelers since 1926 when he was appointed fire and marine manager at Richmond. He subsequently was assistant district manager and district manager of the southern department at Atlanta. In 1927, he was appointed an assistant superintendent of agencies at the home office and since 1929 has been assistant agency secretary.

Prior to joining Travelers, Mr. Hall was a field man for several fire insurance companies.

Mr. Hall was graduated from Georgia Military College. He served as an army officer during the first war.

194 Attend Convention of Loyal Protective Life

Loyal Protective Life's 55th anniversary convention at Banff was attended by 194 members of the field force including family members and a few from the home office. Attendance was earned during a 13-month production contest. Several company records were broken and May was the greatest month in company history.

John M. Powell, president, presented special President's Club awards to four fieldmen for their record of eight consecutive years of membership and honorable mention awards to another group for their consistent performance of almost five years. Bronze plaques were presented to the five leading agencies and five leading individuals who were top producers during the 13-month contest.

Missouri Insurers Merged

Western Life of St. Louis has taken over the business of American Mutual Assn. of Osceola, Mo., with about \$1½ million insurance in force. American Mutual was organized in 1930 as an assessment company but was recently reorganized as a stipulated premium life company.

Western Life was organized in 1894. Carlton G. Haizlip, who helped to organize the company, has been secretary since its establishment. Horace G. Beedle is president; Charles Kell, vice-president and director of agencies. The company now has 400 agents in Missouri and Illinois. It has about \$18 million life insurance in force and assets of about \$750,000.

Study Crosser Act Results

National Industrial Conference Board has completed a study on the first three years operation of the sickness benefits provision of the railroad unemployment insurance act. Temporary disability benefits coverage was added to the act by the Crosser amendment in 1946 which became effective July 1, 1947.

The measure stirred up considerable opposition in insurance circles when it was proposed but forgotten when state-wide temporary disability benefits legislation became a much more serious problem.

Silver Rains on Whaley

J. V. Whaley, vice-president of Franklin Life, was presented with over 1,000 silver die-cut cards congratulating him on his 25th anniversary in the business and on his birthday. Each card included a Franklin silver half-dollar.

A sales contest held during June in his honor broke all records for the month with over \$20 million in new business.

New sales for the first five months of the year show a 13.1% increase over the same period last year, with Franklin well ahead of schedule in its drive for \$1 billion in force by mid-1951.

Insurance To H Energy

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Insurers Ready To Handle Nuclear Energy Risks

Reuel C. Stratton, supervising chemical engineer of Travelers, in addressing the convention of International Assn. of Insurance Counsel at White Sulphur Springs, declared that even after several years of acquaintanceship with such terms as "atomic energy," "nuclear efficient," "A bomb and H bomb," and "radioisotopes" the ordinary citizen is still bewildered as to what it is all about. It can well be imagined then the predicament which confronted the insurance underwriter some six or seven years ago when he received applications from individuals engaged in the then new atomic energy industry for various forms of insurance. At this time there was added to this lack of knowledge the fact that the development of the program which was first called to the attention of the world by the dropping of an A bomb at Hiroshima, was conducted under the heaviest wraps of security ever devised.

There were so few in the actual know that it was well nigh impossible to establish from an insurance standpoint exactly to what industrial exposure were the employees of these various plants subjected.

Worked with Little Fuss

However, the insurance industry moves into all phases of the atomic energy program slowly and probably with less fuss than attended its entrance into the automotive field.

As soon as World War II had been closed down for a few months it was decided at a conference that it would be possible to penetrate the protective security covering sufficiently to obtain necessary underwriting data for individual risks working within atomic energy plants, and yet without in any way violating the needed or paramount important security.

By contact with the Manhattan district at first and then subsequently with the U. S. Atomic Energy Commission after the civilian organization took over, it was possible to devise a system whereby insurance became available to all persons desiring it on a basis comparable with the availability of the various forms of life coverage in similar chemical industries. This program was accomplished under the sponsorship of Home Office Life Underwriters Assn.

Major Industry

Few people, unless they have been privileged to visit some of these plants, appreciate the scope or the magnitude of the operations conducted under the direction of the Atomic Energy Commission. The locations commonly referred to as Oak Ridge, Hanford, Los Alamos, Argonne, Brookhaven, and Chalk River do, by their name, give no accurate picture of the size or number of plants, or the number of people engaged in the work. Suffice it to say that the size of the program and the number of employees at the above-mentioned and other installations classify it as a major industry.

In the early days of the program where life applicants were, under protest, furnished some cover at elevated ratings, and which days have long since disappeared, casualty insurance was afforded with very little if any, knowledge of the type of operations in the various plants. In fact, that is still true today in a limited number of instances but here again, the companies are devising a means whereby casualty information may be obtained without disturbing the security cover. All this tends toward the end that better underwriting techniques may be applied and better insurance services rendered.

While the basic principle of the Atomic Energy Commission from a military standpoint is profound, yet the industrial adaptation of the products in the form of radioactive materials has opened up a

new vista in research and production control fields. These materials are valuable tools for the medical profession as well in their study of the medical phases of devastating diseases. To take care of the casualty field, a joint casualty committee on radiation was originated by Assn. of Casualty & Surety Companies, together with American Mutual Alliance and liaison representatives of this committee contact the Atomic Energy Commission when needed.

The insurance industry which has kept pace of the developments so far is

looking into the future uses of radioactive materials. One of the first looked for uses will be the application of nuclear energy to power which will include the production of electrical energy for industrial or civic use, as well as the propulsion of ocean-going vessels and unquestionably to drive submarines. While progress may be slow, the past has proven that research projects can quickly become realities. Industrial power projects may be extremely valuable in areas far removed geographically from hydroelectric and steam power

installations.

It is safe to say that the surface has been barely scratched in the use of radioactive materials in industry for research and control. The future of each use defies prediction. Insurance, that has maintained a continuous tradition of service, will continue to be in a position to accept risks brought about by advance into the nuclear energy field. Up to now this is being accomplished. There is no reason to believe that the future will find the insurance companies wanting.

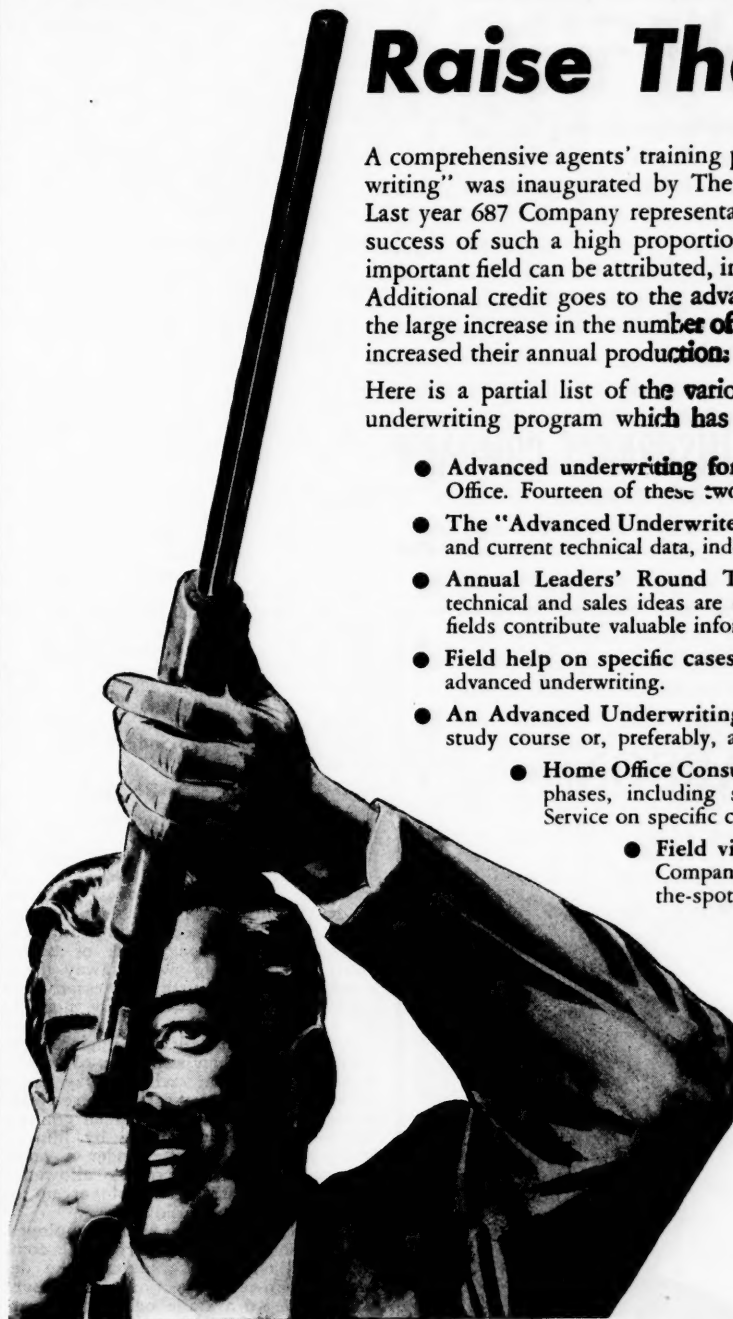
Here's How CM Agents Raise Their Sights!

A comprehensive agents' training program in the field of "advanced underwriting" was inaugurated by The Connecticut Mutual several years ago. Last year 687 Company representatives wrote business insurance, and the success of such a high proportion of the Company's sales force in this important field can be attributed, in large measure, to this training program. Additional credit goes to the advanced underwriting training program for the large increase in the number of Company agents who have substantially increased their annual production:

Here is a partial list of the various phases of the Company's advanced underwriting program which has helped its agents "raise their sights":

- Advanced underwriting forums planned and conducted by the Home Office. Fourteen of these two-day meetings will be held during the year.
- The "Advanced Underwriter", a monthly publication containing valuable and current technical data, indexed for permanent reference.
- Annual Leaders' Round Table. Strictly business meetings at which technical and sales ideas are exchanged. Outstanding figures from other fields contribute valuable information.
- Field help on specific cases by Home Office and regional specialists in advanced underwriting.
- An Advanced Underwriting Course that can be used as an individual study course or, preferably, as a text for an agency group study course.
- Home Office Consultant Service on legal, tax and other technical phases, including sample agreements, and a special Proposal Service on specific cases.
- Field visits by Home Office men. These visits give Company agents a further opportunity to obtain "on-the-spot" information and advice.
- Employee Plans Manual, and syndicated services on pension and profit-sharing plans, and on estate planning and use of insurance for tax purposes.
- A wide range of printed material, including direct mail, pre-approach and post-approach folders and brochures and visual interview aids.

By taking advantage of their Company's carefully planned advanced underwriting training program, Connecticut Mutual agents have been able to "raise their sights" — and their incomes.



The CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY • HARTFORD

Equality Of Opportunity

the great gift given to us by the men who suffered at Valley Forge and protected at Gettysburg, Chateau Thierry and Iwo Jima—the gift that is one of the main anchors of our republic.

Each succeeding generation has done its bit in furthering this priceless heritage—the heritage of hope, of faith, of tolerance—the heritage that has given us the highest standards of living of any people of the world.

Equality of opportunity—the very heart of life underwriting. If you are interested in that profession, you will find it pays to be friendly with



PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

Frankfort

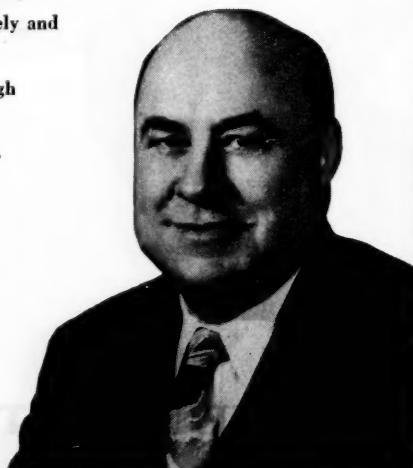
Indiana

A Salute to a Pilot Leader:

W. ROY PARSONS

W. Roy Parsons, General Agent for our Norfolk Agency, led his agency to top honors in volume of business during 1949. He was the leading General Agent in production from new organization, too.

Mr. Parsons is an energetic agency manager who has always used wisely and effectively the recruiting and training materials available through his home office. He has a number of top-notch career underwriters. We are proud he and his agency are leaders in the Pilot field.



Pilot Life Insurance Company

GREENSBORO, NORTH CAROLINA

How Employee Agent Can Deduct Business Expenses in Figuring Federal Income Tax

The recent decision of the tax court in *Kershner vs. Commissioner of internal revenue* (14 T.C. No. 22) held that an employee agent who reported his income on the short form could not deduct business expenses and the decision has caused some agents to wonder whether it ruled out all business expense deductions by agents who are also employees, with a consequent tax disadvantage to employee agents as compared with those who are independent contractors.

The internal revenue bureau has issued no official ruling based on the *Kershner* decision but information from authoritative bureau sources is that an employee agent can deduct business expenses if he uses the long form and does not use the optional standard deduction. If he uses the standard deduction or the short form (which incorporates the standard deduction) it is considered that the standard deduction covers all his deductions, business as well as non-business.

May Be No Worse Off

The employee agent who can list enough non-business expenses to exceed his optional standard deduction is no worse off from a tax standpoint than the independent contractor.

But otherwise (except in the rare cases where an agent's business expenses are exclusively for travel, meals and lodging while away from home) the independent contractor has a tax advantage over the employee.

For example, an agent has \$250 of non-business expenses and \$400 of business expenses.* His optional standard deduction happens to be \$500. If he is an independent contractor he can deduct the \$400 from gross income in computing his adjusted gross income. Then he can also take the \$500 optional standard deduction. But if he is an employee he has to include his business expenses* with his non-business expenses in listing his deductions on page 3 of the long form under "miscellaneous." He is permitted a total of \$650 in deductions as against \$900 for the independent contractor.

How Deductions May Be Made

All taxpayers, whether employees or independent contractors, can deduct non-business expenses on page 3 of the long form return (form 1040). Also, all taxpayers, whether employees or independent contractors, can deduct from gross income, in computing adjusted gross income, the expenses of travel, meals and lodging while away from home, attributable to a business carried on by the taxpayer within the meaning of section 23 of the internal revenue code; he may also deduct business expenses (other than expenses of travel, meals and lodging while away from home) which consist of expenses paid or incurred by the taxpayer in connection with the performance by him of services as an employee under a reimbursement or other expense allowance arrangement with his employer up to the amount of such allowance.

All taxpayers, other than employees, may deduct from gross income, in computing adjusted gross income, the deductions allowed by section 23 which are attributable to a trade or business carried on by the taxpayer.

Long Form Necessary

Employees are prohibited (by section 22(n)(1)) from deducting their business expenses (other than travel and reimbursed expenses) from gross income in computing adjusted income, but they are permitted to deduct them from gross income in computing net income. This can be done only in a long form return. This is the reason why the tax court denied *Kershner* the benefit of his business deductions in a short form return in which the tax was based not

on net income but on the adjusted gross income.

When employees deduct their business expenses on page 3 of a long form return, they should not report the deduction as "non-trade or non-business expense," as some have suggested, but should report them as ordinary and necessary business expenses in addition to any non-trade or non-business expenses they may have.

The statutory prohibition does not operate to change the nature of the expenses—it operates only to exclude them from consideration in determining the adjusted gross income to which the tax in the tax table is applied. If the short form return is used, the employee receives the benefit of an allowance in lieu of the business expenses, and the law does not allow him to receive the benefit of both. If the long form return is used, the employee may deduct his business expenses in full in determining his net income, provided he doesn't use the standard deduction, for he cannot claim the benefit of both the standard deduction and his specific deductions.

*Other than expenses of travel, meals and lodging while away from home.

L.I. A.M.A. Schools Draw 110 from 37 Companies

Life Insurance Agency Management Assn. ordinary school has been completed by 44 executives at the University of Connecticut, Storrs, and a combination school has been completed by 66 at the University of Washington. There were 14 companies represented at the combination school and 23 companies at the ordinary school.

Direct Connecticut Leaders

Appointments to the executive committee of Leaders Round Table of Connecticut have been made by Francis T. Fenn, Jr., chairman, National Life of Vermont, Hartford. Frank Crowell, Norwich, Mutual Benefit Life, and Herbert P. Karlsruher, New Haven, New York Life, were named to the policy-making committee.

The executive committee is reviewing the constitution and by-laws and expects to complete this project sometime next fall.

Other members of the executive are Albert N. Scripture, vice-chairman, New England Mutual, Hartford, and Charles K. Oaks, secretary-treasurer, Phoenix Mutual, Hartford.

Phoenix Employees Elect

Miss Helen E. Kelleher was elected president of Phoenix Mutual's Employees Club. Also elected were Ernest C. Davis, vice-president; Hilja A. Syri, secretary; Martha McGehan, assistant secretary; George B. May, treasurer; and John Gunmere, assistant treasurer. Glenden J. Dunlap was named a trustee of the club hospital fund for a three-year term.

Guardian Opens San Diego

Guardian Life has opened a new agency at San Diego with J. C. Snapp as manager. He has been in the business there since 1939. He is a former director of the Life Underwriters Assn. of San Diego. His son J. C. Snapp, Jr., will be associated with him in the new agency.

California Life of Oakland has more than doubled its agency force in the last 12 months.

Life Insurance Agency Management Assn. office employees held their annual outing at Middlefield.

Seco Gra Sche

A graduation ceremony will be held at the University of Chicago on July 17-21 at 17-21 at Chicago managers' annual school 1950.

This is a sponsored by the National Life Insurance Association's initiative to help the low income people to get ahead in the career age.

In addition, the staff, the Jenkins, the National L.I.A.M.A. managers assist as Fidelity Leland F. Philadelphia; eft Life, Northwes

Publi Prog Outli

Suggest agent can program for Kenagy, Life, at the mon Hub New York

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Second L.I.A.M.A. Graduate School Scheduled July 17

A graduate school in agency management will be conducted by Life Insurance Agency Management Assn. July 17-21 at the Edgewater Beach hotel in Chicago. Registered are more than 50 managers who are graduates of the regular schools that have been held since 1929.

This is the second graduate course sponsored by the association. Last summer's initial venture proved so successful that the 1950 school will closely follow its pattern. Managers invited to attend are outstanding agency builders, each of whom heads a staff of full-time career agents writing ordinary.

In addition to the association teaching staff, the managers will hear W. R. Jenkins, vice-president of Northwestern National and a member of the L.I.A.M.A. board. There will be six managers attending the school who will assist as speakers: George A. Hatzes, Fidelity Mutual, Washington, D. C.; Leland F. Lyons, New York Life, Philadelphia; Raleigh R. Stotz, Mutual Benefit Life, Grand Rapids; John O. Todd, Northwestern Mutual, Chicago.

Public Relations Program for Agent Outlined by Kenagy

Suggestions on how the individual agent can develop a public relations program for himself were given by H. G. Kenagy, vice-president Mutual Benefit Life, at the annual meeting of the Solomon Huber agency of that company in New York City.

In outline form these principles are: "Sell life insurance as you would buy it, doing the best possible job for the buyer in terms of his needs and ability to pay. Selfish concern about commissions or succumbing to consideration of what the prospect will buy, rather than what he ought to buy, will not, in the long run, build the kind of esteem that means good policyholder relations. 2. Take time to make every policyholder conscious of and articulate about the knowledge, skill and work which you put into the plan you arranged for him. 3. Show regular interest in the policyholder's situation and give more service than he expects. 4. Do the little, friendly, thoughtful things not necessarily related to his estate problems which prove your friendly interest. Do what you can do to help the policyholder with his business problems. Boost him and his business. Send him customers or clients, when you can."

Public Relations Test

The supreme test of good policyholder relations, Mr. Kenagy suggested, is in whether the policyholder would rise to the defense of the agent if the state or federal government were in immediate prospect of taking over the business and replacing it with either over-the-counter government insurance or some colossal social security program. If at least a sizable vigorous minority of policyholders would rise up and tell the lawmakers to let the life business alone, that it is doing a wonderful job as it is now operated, and that they could not get along without the kind of personal service they have been receiving, then the agent has achieved good public relations with his policyholders, he said.

Life Insurance Adviser

Other tests are whether the agent is thought of as "my life insurance adviser" by all or a substantial share of his policyholders. The agent should question himself as to whether any of

them have bought life insurance from other agents since his last sale was made to them. Do they arrange interviews for the agent with their friends and business associates? Do they tell the agent about people they would like him to see? How many of them say good things about the agent to their friends and acquaintances? Do policyholders like the agent as a person?

Home Office Cooperation

Another phase of the public relations program is relations with the home office. Is the company being told all

the agent knows about a case that will affect its underwriting? Never give anyone the right to suspect that information has been withheld which might have caused adverse action, he cautioned.

Another phase of public relations is in getting along with competitors, he said. The agent should want to build an attitude which prompts favorable statements about him when his name is mentioned, especially when a client or prospect says that the agent is his life insurance adviser, Mr. Kenagy said. Above all, "make sure that no competitor can honestly criticize the job you

have done for a client." Team play spirit must be shown in working with other members of the agency and in the community generally.

Mr. Kenagy concluded by suggesting that the agent take time occasionally to check up on the reactions of his public to what he does.

Vernon F. Hurlburt has been appointed agency assistant and manager of the credit insurance department of Modern Life. He started with the company last year in the St. Paul agency.



① WEALTHY FAMILY



② HEAVY TAXES



③ LIFE INSURANCE



④ HE RELAXES

While light on copy and light in treatment, this series of advertisements on the living values of life insurance is a serious tribute to every life underwriter in the business who is helping people to understand and to use life insurance to solve life's financial problems.

HOME LIFE INSURANCE Co.

256 Broadway, New York, N. Y.

"A Career Underwriters' Company"



COMPLETE PERSONAL INSURANCE COVERAGE

REGISTERED
POLICY
PROTECTIONLIFE HEALTH
ACCIDENT
HOSPITALIZATION
MEDICAL and SURGICAL
REIMBURSEMENT
GROUP
FRANCHISE
BROKERAGE
REINSURANCEREPUBLIC NATIONAL LIFE
INSURANCE COMPANY

THEO. P. BEASLEY, President

HOME OFFICE

DALLAS, TEXAS

Life Insurance in force exceeds \$300,000,000.00

FIDELITY
A WELL-BALANCED COMPANY"...balance rules
the whole..."

ALEXANDER POPE

A Life Insurance Company is the
sum of its several parts. The
proper balance of each of
these parts is essential to the
effective functioning of the whole.

To maintain such balance in its
operations is a prime
objective of Fidelity.

Fidelity is a well-balanced company.



The
FIDELITY MUTUAL
LIFE INSURANCE COMPANY

THE PARKWAY AT FAIRMOUNT AVENUE
PHILADELPHIA • PENNSYLVANIA

Liberalize Guardian
Commission Rates

A liberalized commission contract for all full-time commission agents has been put into effect by Guardian Life after six months of study.

Increases in first year commissions have been made on many plans. The effect of this is most apparent in a comparison of the old first year commission rate with the new rate for odd payment life plans, endowments, life income endowments, term plans, annual premium deferred life income annuities, and single premium policies. In addition, an increase in renewal commission rates was made in the case of some policies. All renewal commissions under the new contract are fully vested in the agent on the business of every year in which he pays for at least \$50,000.

Additional compensation is provided in Guardian's new contract by 2% persistency fees paid after the 10th policy year on business personally written by the agent. These fees continue for life while the agent holds a full-time contract, subject to annual production requirements prior to age 65.

The company's present agents' service and retirement plan will be replaced on Jan. 1, 1951, by a new contributory plan, subject to the approval of the New York state insurance department and the bureau of internal revenue.

Kan. Marketing Course Set

The University of Kansas extension department will hold its annual school in life insurance marketing at Lawrence July 31-Aug. 5. The school will be directed by the staff of the Purdue course.

Attacks N. J. TDB Law

The legislative council of the New Jersey State Federation of Labor has filed a suit challenging the constitutionality of the private insurance features of the New Jersey cash sickness benefits law. The suit was filed on behalf of Carl Schielke, an employee of the Stacey Trent hotel at Trenton, and charges the law is unconstitutional because it delegates the power to select a private plan or the state fund to a majority of the employees. The state through its attorney general will defend the law.

A majority of employees at the hotel voted in favor of private insurance and the policy was placed with Connecticut General Life. Schielke charges the deduction of 27 cents a week from his salary constitutes taking property without due process in violation of both the state and federal statutes.

Rose Pandozzi has been elected president of the **Phoenix Players**, the theatrical group sponsored by Phoenix Mutual, during the company's annual outing last week. Other new officers are John Gumere, vice-president; Marshall W. Phinney, treasurer; and Dora Olsson, secretary.

Conn. Gen. Covers
Its People for
Catastrophe Illness

Connecticut General has put through four additions to its group program for its salaried staffs in home office and agency offices. All these coverages are entirely at the company's expense. The company has installed an excess catastrophe coverage for illness or accidental injury in which the company will pay as much as \$5,000 of the cost of care in excess of regular hospital and surgical expense benefits. When bills for a single illness or accident have amounted to 10% of the annual salary in excess of the benefits of regular group or workmen's compensation, the company will pay 75% of all further bills up to the maximum.

Connecticut General has extended hospital and surgical coverage to all retired members of the organization with the proviso that the company will pay a maximum of \$1,000 for surgical and hospital bills of a retired employee and an additional \$1,000 for the bills of his family members.

The company has increased the maximum limit of the surgical expense coverage for active and retired employees from \$150 to \$240. The plan has been liberalized whereby the company pays part of the doctor's bills for its employees for non-surgical treatment.

The company plans to study its experience on these coverages with its own employees with a view to the possibility of adding it to the forms of protection it sells.

Huebner Foundation
Grants Go to 17

The S. S. Huebner Foundation has awarded the largest number of fellowship grants to be made in any single year for the 1950-1951 academic year. These grants vary in amounts from \$200 to \$2,100 and have been made to 17 persons to enable them to pursue graduate study in insurance for the Ph. D. degree in order to prepare for college insurance teaching careers. More than 100 life insurance companies contribute to the support of the foundation.

Joint Committee Tackles
SS Bill Starting July 11

The joint conference committee on the social security bill is scheduled to hold its first meeting July 11.

Study of social security by the House is proposed in a resolution of Rep. Reed, New York, ranking Republican ways and means committee member.

Kansas City Life has declared the customary semi-annual dividend of \$2 per share.

New Georgia Association General Staff

The new officers of the Georgia Assn. of Life Underwriters lined up at their recent annual convention at Radium Springs, Ga., from the left are: George M. Connor, executive secretary-treasurer; D. Lee Ballard, New York Life, Augusta, president; Mrs. Hazel C. Schofield, Equitable Society, Macon, 2nd vice-president, and Roy Dial, Albany, 1st vice-president. Banquet speaker was Walter H. Saitta, vice-president of Peninsular Life. There was an address by Charles J. Currie, N.A.L.U. trustee. It was announced that the state now contains 24 local associations with a total membership of more than 2,000.



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WORK CARRYOVER FORBIDDEN

How Crown Life Cut Policy Change Time by Two-Thirds, Reduced Expense by 16%

Crown Life has been able to reduce its outlay for salaries in the policy change department by more than 16% and cut the time for changes two-thirds through a system designated as carryover control, a plan developed through an investigation made of the theoretical aspects of the flow of work through the various operations of a department. The set-up was described by G. N. Watson of Crown Life at the Chicago spring meeting of the Society of Actuaries during the forum on smaller-company problems.

The theory behind this plan is not complicated mathematically but it serves to enable the company to concentrate on where the trouble really lies and to cure it, with results that Mr. Watson termed startling.

Before the new plan went into effect the policy change department seemed to be operating efficiently on all known bases of measuring efficiency. It had a well-trained staff, above average in quality, adequately supervised. Methods were the best that could be devised. Comparison of amount of work done with that in other companies showed the department took a back seat to none of its competitors. But there were still complaints that it took too long to get a policy change completed.

Tried Actuarial Approach

Attempts to improve the situation got nowhere until the actuarial approach was tried. Mr. Watson assumed that a department did n operations and completed N units of work a day. It employed P persons and the carryover in the department, being the amount of work on hand at any point of time, was C . He assumed that at any moment of investigation all these factors were constant and that the actual method of operation was that units of work were being fed in at one end of the department and were coming out at the other, all factors remaining constant while this was occurring.

The average length of time for one unit of work to pass through the n operations consists of three parts, the first of which is the actual length of time for the unit to pass through the operations if there were no carryover. This can be shown to be P divided by N .

However, as a practical matter, each person has a carryover from day to day if the department is operated on the basis that work is fed to persons as it arises and the work is performed by these persons, leaving a residue at the close of each day's work. The length of time introduced by reason of the carryover can be shown to be C divided by N . The third factor is a small one and is introduced if the work enters the department at the beginning of the day rather than throughout the day. If it is assumed to all enter at the beginning of the day, one-half must be added to allow for the fact that on the average half a day elapses before a unit of work is attended to.

The formula, therefore, for the average length of time for one unit of work to pass through a department with these characteristics is:

$$\frac{P+C}{N} + \frac{1}{2}$$

It was found that the big factor was the one relating to carryover, i.e., C divided by N . This may be as much as 10 times the factor relating to the actual time required to complete the unit of work. So the point of attack was to cut the carryover to the lowest possible figure. This was made the basic objective, rather than training staff or hiring more staff or improved methods. Anything that will reduce carryover is adopted.

The system of carryover which Crown Life adopted was to place each clerk

in a department. The first step was to see that there were enough clerks in each operation so as to complete N cases in one day. The company discontinued the system of allowing clerks to have a residue of work from the previous day. It discontinued overtime and it discontinued the actuarial approach to the problem and instituted the psychological approach.

A HIT WITH STAFF

It was explained to the employees in this way: "Each day you will be assigned a specific amount of work to be performed. We expect that you will perform that work that day. We do not expect you will have anything remaining at the close of the office and we do not expect that you will work overtime. If in two days in succession you do not complete the work assigned to you it will be reduced. Similarly if in two days running you complete the work as-

signed to you before the office closes in one of six operations in this particular your work will be increased. We know that some of you are more capable than others and we realize that this system may very well mean that in one day one clerk will complete 18 units whereas another will only complete 6 units. This, therefore, will make it clear to us exactly what your relative ability is as compared to your fellows.

The system has this advantage: You have nothing hanging over your head. You will have done what we regard as a fair day's work and when you are finished you may do as you please. You can help those who are not so fortunate you can improve your notes in regard to policy changes, you can do other pieces of work which you may have been putting off because there hasn't been sufficient time. The main thing to realize is that when your assignment has been completed you have done your job well that day."

Results Were Surprising

Up to this point everything was theory and the question was what exactly would happen. What did happen was surprising. The work assigned was between one-third to one-half greater (CONTINUED ON PAGE 20)

Marketing Alumni To Organize During N.A.L.U. Convention

Formation of an alumni association of the Purdue and Southern Methodist life insurance marketing institutes will be made at a get-together of the graduates of all classes at a luncheon on Sept. 27 in Washington, D. C. All present and past students at the Purdue school, together with their managers and home office men, have been invited to attend.

The meeting will take place during the annual convention of National Assn. of Life Underwriters. It is expected that representatives of every class from class 1 on Nov. 12, 1945, will be on hand. An award will be given to the class with the most members present. The luncheon will not conflict with any other meeting.

The speaker will be Dr. A. Powell Davies of Washington, D. C., on "Freedom and Security." The price of reservations for the meeting is \$3 to be made payable to Hal Nutt, Life Insurance Marketing Institute, Purdue University, Lafayette, Ind.



HE DESERVED THE N. Q. A.

When the Prudential representative sold the policy on this child 'way back in 1875, he sold it "but good." It's still in force.

That policy was one of the twelve sold during our first week in business. Through the following 75 years, the friendly, capable service of our representatives gained such wide-spread acceptance that now over 26 million people have a Prudential man or woman as their life insurance adviser.

Because quality service is in The Prudential tradition, we are proud that so many of our representatives—more than 750—qualified for the National Quality Award this year. We congratulate them and all the other qualifiers for winning this nation-wide award, and wish them even greater success for the future.



THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

A mutual life insurance company

HOME OFFICE
NEWARK, N. J.

WESTERN HOME OFFICE
LOS ANGELES, CALIF.

EDITORIAL COMMENT

Doing Small Things Well

Many of us are much inclined to underestimate the value of small influences and duties of lesser stature. We are eager to recognize the bigger things in life. We close our eyes to the small and perhaps insignificant things that are before us. After all, these small things do

amount to much in the aggregate. A person who neglects them and does not attend to small duties in time acquires the habit of overlooking greater ones. The man who is doing greater things always has time to dispose of the smaller ones.

Chance to Build Prestige Inexpensively

Considering how easy it is to get, it is surprising that more companies do not make a systematic effort to obtain publicity for the various honors and accomplishments of their agents. A number of companies see to it that anything that one of their agents does to warrant newspaper mention is sent to the man's home town newspaper but the plan could well be used more widely.

It is surprising what newspapers will print. There is nothing in the way of a code or standard about what an editor will select as newsworthy. What seems like a pretty fair item may be tossed in the wastebasket by one editor and yet be used at some length by a larger and more prominent paper.

In general, of course, it is the smaller papers that will use this type of personal news but it is not necessary to be discouraged just because an agent lives in a large or even in a very large city. An item about Joe Doakes winning the national quality award may not get into the New York Times or the Chicago

Tribune but the chances are that the editor of the community or suburban newspaper where Mr. Doakes lives would be glad to use the item.

Newspaper editors, particularly those on smaller papers, are keenly aware of the concept that names makes news, but news about local people is hard to get because it takes so much digging to produce a column of such stuff. Consequently, contributed items are genuinely appreciated.

An editor would be quick to spot the advertising angle of a story about a life company but would probably never think of the prestige value to the agent whose name is mentioned in a little personal item. Of course, if every life company started sending out items about every activity of all its agents, the editors might well get so they would automatically throw into the wastebasket everything from any life company. But in the meantime, there is a chance to build a lot of local prestige for agents of companies who want to try for it.

Taking the Heat Off Program Chairmen

In many organizations the program chairman does all the work of arranging speakers for meetings, other members of the committee just go along for the ride. If the chairman has some good ideas about program planning and is sufficiently well organized to put them into effect, this one-man operation has the advantage of expediting matters in a way that probably would not be possible with the more democratic but time-consuming procedure of operating through a program committee in fact as well as in name. The program chairman might save himself a little work by delegating some of the authority to others on his committee but if he is a live wire, he isn't worried about saving such a trifling amount of labor.

However, there is often a decided advantage in having the selection of speakers done on a bona fide committee basis. Perhaps the most important is that it takes the heat off the chairman in

the matter of selecting speakers. When the program chairman is running the show single-handed, he may well be and often is under a strong feeling of obligation to put the president or some other high-ranking officer of his own company on the program. Frequently the man is a good enough speaker so that no one has serious cause for complaint, but frequently, too, the executive may have reached his present high position through abilities having nothing to do with his talents as a speaker.

The program chairman may be fully aware of the ordeal that he is letting his organization in for and yet feel that he has to ask his boss to speak or else be seriously embarrassed in a personal and perhaps a business way. Or he may be such an admirer of his chief that he honestly is unaware of what a flop he would be as a speaker. There are even times when a speaker who makes a good talk before one type of gathering

is incapable of making an address that is appropriate for another. For example, an investment executive might give an excellent talk before a gathering of men primarily interested in this field but would have little to say of interest to a group of agents mainly interested in learning how to sell bigger and better policies.

The best insurance that an organization can have against the danger of listening to inept or inappropriate speeches

is to appoint a well-balanced program committee that can be depended upon to take an active part in planning meetings and will not be over-ridden by a dominating chairman. Naturally, the chairman should be someone who is not only a leader and will get things done but who will regard the planning of programs as a joint responsibility of the entire committee and not just his own private project. This is a key job in any association.

PERSONALS

Directors of Companion Life have elected **James F. Corroon** a director. He is president of Corroon & Reynolds and R. A. Corroon & Co.

A dinner was given in honor of **Floyd L. Bushnell** who is retiring after 35 years with Prudential. Mr. Bushnell has worked at Watertown, N. Y., all of that time. He is staff manager.

Peter M. Fraser, president of Connecticut Mutual, and **W. Ross McCain**, president of Aetna Fire, have been re-elected to the executive committee of Connecticut public expenditure council.

George H. Vornholt, staff manager for Prudential in Denver, has completed 30 years with that company. **Alva C. Stafford**, district manager at Huntington Park, Cal., has completed a quarter century with the company.

Wade A. Holman, Amarillo, state agent for State Life of Indiana, was honored by a luncheon in Indianapolis for his 30-year record of producing business every month.

W. C. McCord, president Southland Life, and Mrs. McCord are on a trip to Europe. They are traveling by air and left New York on June 25 with stops in London, Paris, Geneva, Rome, and Nice. They will return to Dallas about July 19 with a stopover in New York.

Richard J. O'Brien, assistant superintendent of agencies Bankers National Life, has returned to his office after a tour of active duty with the Air Force

Sullivan Seeks Reelection

Frank Sullivan, Kansas commissioner, new vice-president of N.A.I.C., has announced his candidacy for renomination on the Republican ticket.

Jailed for Refusal to Pay B.C. Hospital Premium

In Victoria, B. C., a woman has been sentenced to jail for failure to pay an insurance premium. **Judith Stoddard** was incarcerated for three days for failure to pay a premium on the British Columbia compulsory hospital coverage. She was ordered by a local magistrate to pay the half-year premium of \$10.50 plus a fine of \$5 and upon refusal to pay was put into jail.

Government officials have held that one of the reasons why the plan lost several million dollars last year was that there was difficulty in compelling the British Columbians to pay their premiums.

Convention Dates

July 31-Aug. 11, Annual C.L.U. Institute, University of Connecticut, Storrs.

Aug. 14-16, International Federation of Commercial Travelers Insurance Organizations, Lake Louise, Alberta, Can.

Aug. 22-25, Annual advanced underwriting clinic of University of Illinois, Urbana.

Sept. 14-16, Federation of Insurance Counsel, annual meeting, Atlantic City.

Sept. 18-20, International Claim Assn., Greenbrier hotel, White Sulphur Springs.

Sept. 25-27, Life Office Management Assn., annual, Royal York hotel, Toronto.

Sept. 25-29, National Assn. of Life Underwriters, annual, Hotel Statler, Washington.

Sept. 25-28, National Fraternal Congress, annual, Statler hotel, New York City.

Sept. 21-22, All-industry committee deliberations on uniform agent-broker licensing bills, unlicensed insurer bills and interstate compact proposal, New York.

Oct. 3-6, American Life Convention, annual, Edgewater Beach hotel, Chicago.

Oct. 23-26, Assn. of Superintendents of Insurance of Canada, General Brock hotel, Niagara Falls, Ont.

Nov. 1-3, Institute of Home Office Underwriters, annual, Fontenelle hotel, Omaha.

Nov. 9-11, Society of Actuaries, annual, Greenbrier, White Sulphur Springs, W. Va.

Nov. 15-17, Annual meeting Life Insurance Agency Management Assn., Edgewater Beach Hotel, Chicago.

Dec. 10-15, National Assn. of Insurance Commissioners, winter meeting, Los Angeles.

Dean of St. Louis Agents Outlives Ordinary Policy

Paul Robyn, often referred to as the dean of St. Louis insurance men, was recently presented a paid-up life insurance policy by Massachusetts Mutual Life on his 96th birthday. He elected to retain the policy which makes a sister the beneficiary.

Mr. Robyn retired from the general insurance business four years ago as a vice-president of the Insurance Agency Company of which he was one of the founders. He took out the Massachusetts Mutual policy about 40 years ago. Prior to his retirement, Mr. Robyn had rounded out three-quarters of a century in the insurance business in St. Louis, starting during the war between the states.

A son, Paul Robyn, Jr., has succeeded him as vice-president of the insurance agency, of which the senior Mr. Robyn is still a firm member.

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OBSERVATIONS

Maturing Bonds Create Market

The maturing of U. S. savings bonds in the years just ahead will create a large potential market for life insurance. Most of the security-minded people who put their money into government bonds did so not only for patriotic reasons but to build a nest egg. As these bonds mature, the strong urge for security will, in most cases, still be present.

The first of the series E bonds will come due in 1951, totaling \$1,556,000,000. The next year \$4,045,000,000 worth will mature. In 1953 the amount due will add up to \$7,042,000,000 and in 1954 maturities will reach their highest point, \$9,130,000,000.

Dean Loman's Comments

In the "Observations" column of July 9 was carried an article asking for a "boost" for the C.P.C.U. movement by C.L.U. designees who work for multiple line companies. In a letter to THE NATIONAL UNDERWRITER, Harry J. Loman, dean of the American Institute for Property & Liability Underwriters, the parent and official body of the C.P.C.U. movement, indicates that a portion of the statement may have conveyed an erroneous impression. Dean Loman writes:

"First, I would like to point out that 1,800 different persons from all parts of the U. S. took C.P.C.U. examinations this year. This is our eighth year of operation. The C.L.U. examinees did not exceed 1,800 in any single year until 1947, when the American College was in its 21st year.

"Second, although the C.P.C.U. program has not been actively promoted by all of the multiple line companies, the enthusiastic work of many of them is a very important factor in the institution's growth. A more proper observation would be, 'the number of company examinees is disproportionately large when compared with the agents who have taken the C.P.C.U. examinations.'

"Third, the officials of the American College of Life Underwriters inform me they knew nothing about the request for help mentioned in the article."

But I Don't Want to Retire!

It is a fairly common thing for life insurance men to come across clients who have no desire to retire at 65 or at any other given age, for that matter. Within the next half century problems will mount as the push for more and more pensions and definite retirements at 65 and even 60 comes face to face with the medical fact that men are living longer and the period of their vocational usefulness is being extended many years. One reputable student of geriatrics has estimated that by the year 2000 men who live till 100 will be common and many a man will be fit and eager to work until at least 80.

Brokerage and Surplus Business

Brokerage agency supervisors who get their business from general insurance brokers say that much of their volume is the result of a call by a life agent or of company direct mail literature. The prospect frequently turns down the life agent after making notes of what has been proposed to him. Later he calls his general insurance broker to tell him that he has decided to buy some life insurance and asks him to arrange it. The general broker is of course glad to do it. The latter is seldom trained on life insurance. He calls in the brokerage supervisor to handle the arrangements. Supervisors philosophically comment that the results of sales calls and direct mail aren't always seen by the agent who does the spade work but they do help sell life insurance.

The brokerage supervisor gets the business that results by building a close connection with the general insurance

broker. Surplus business of agents of other companies is not developed in this way. Much of it comes through the supervisor's associations or through activity in agents' associations.

Women a Sales Market

The Mutual Fund Institute will conduct special courses on investments this fall among women's clubs throughout the country. By mid June 2,253 clubs representing 135,000 women had responded to an offer of the Institute to sponsor a course entitled "What Every Woman Should Know About Investing Money." About 5,000 clubs with 250,000 members are expected to apply for the lectures before they start.

The courses will start off with discussions of stocks and bonds, describe various savings and investment methods and the service the mutual funds offer. The educational program is designed to spread knowledge of the mutual funds as an investment media. Women are now generally regarded as exercising important influence over family spending and savings. They are considered to be good prospects by investment salesmen if they are in business. The Institute of Life Insurance through its women's division has also been making frequent appearances before women's groups.

DEATHS

RALPH E. LARSON, 51, well known life man of Madison, Wis., and formerly associate general agent with his father, A. C. Larson, for Central Life of Iowa, died of a heart attack.

ALBERT J. BOEDECKER, 55, assistant actuary Northwestern Mutual Life, Milwaukee, died at a local hospital after a short illness. He started with the company in 1910, and was supervisor and divisional head of the change risk and statistical division from 1927 to 1939, when he became assistant actuary. He was a World War I veteran.

Ask State Fund Endowment as Veteran Bonus in Wis.

OSHKOSH, WIS.—A state veterans' bonus in the form of a 20-year endowment policy carried in the state life fund, with premiums to be paid by the state from liquor and wine taxes which now amount to about \$4½ million annually, was favored by a resolution adopted by the Wisconsin department of Veterans of Foreign Wars in state convention here. The plan was proposed by the VFW bonus committee, headed by Lyall T. Beggs of Madison, past national commander, who explained that a cash bonus is not possible in Wisconsin because of limitations in the state constitution.

Top Policy \$500

Under the plan, to be proposed to the 1951 legislature, the bonus would be on a deferred basis and would not interfere with the present state financial structure. No policy would exceed \$500 and the amount of the policy given each veteran would be on the basis of \$10 a month for domestic service and \$15 a month for overseas service in the second world war. The proposal asks for immediate payment to families of deceased veterans, which present funds should cover easily.

Memphis C.L.U. Elects Pace

MEMPHIS—James K. Pace, Reliance Life, has been elected president of the Memphis C.L.U. Others elected were Lester Rosen, Union Central, vice-president; Merrill Garcelon, Northwestern Mutual, secretary-treasurer.

COME TO TENNESSEE THIS SUMMER . . .

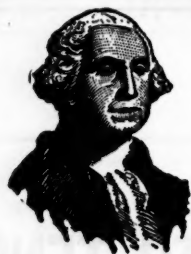
To those of the Life Insurance fraternity who have not yet planned their vacations, let us extend a cordial invitation to come to Tennessee.

Playground state of the deep South, Tennessee abounds in recreational facilities, with particularly fine fishing and scenic beauty that compares with the finest in America.

Full information may be obtained from the Tennessee Department of Conservation, Nashville. And if you do come to Tennessee, be sure to drop in to see us.

The
NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.





Going Up

The Washington National is about *three times* the size it was just ten years ago, in *assets*.

The Washington National is about *three times* the size it was just ten years ago, in *life insurance in force*.

The Washington National is about *four times* the size it was just ten years ago, in *premium income*.

The Washington National has more than *six times* the surplus it had just ten years ago.

The Washington National is GOING UP . . . because Washington National salesmen have a complete line of personal protection to sell, a coverage to fit every person's individual needs.

Lines written: Life, Accident, Health, Hospital, Franchise, Group.

WASHINGTON NATIONAL INSURANCE COMPANY

EVANSTON, ILLINOIS

H. R. KENDALL, Chairman

G. R. KENDALL, President

J. F. RAMEY, Exec. Vice Pres. and Secy.

WHAT COMPANY HAS WON AND HELD A REPUTATION AS A "POLICYOWNERS' COMPANY?"

Ask the people of MINNESOTA—

who have placed, through our representatives, an increasing amount of life insurance protection each year with their good neighbor, the Provident Life Insurance Company.

To us, a policyowner is the most important person in our company. In the management of our company, his interest forms the basis of all our judgments. We are constantly trying to serve him better.

We want him to know us better, too. So our President writes a friendly, chatty note regularly to policyowners in form of a letter called "Over My Desk." Our policyowners tell us they enjoy this regular "visit" from our President.

THE PROVIDENT LIFE INSURANCE COMPANY
BISMARCK, NORTH DAKOTA
LIFE • ACCIDENT • HEALTH • HOSPITALIZATION
JOSEPH DICKMAN, Vice President

"The Provident States"

NORTH DAKOTA — SOUTH DAKOTA — MINNESOTA — WASHINGTON — OREGON — MONTANA



LIFE AGENCY CHANGES

Finch, United Benefit V.-P., Becomes Colo. Manager

Frank S. Finch, vice-president of United Benefit Life has left the home office to become manager for Colorado for United Benefit and Mutual Benefit H. & A.

Mr. Finch started with Mutual Benefit in 1925 as a claim auditor. When United Benefit was formed in 1926, he went with that company. In 1936 Mr. Finch was appointed assistant secretary of United Benefit. In 1940, he was named vice-president.

Mr. Finch helped organize United Benefit Fire and was named vice-president and a director in 1947. He is a past president of Insurance Institute of Nebraska.

At Denver Mr. Finch succeeds O. J. Pothast who died a year ago. The agency has been conducted by the widow Mrs. L. V. Pothast, who is now retiring from business.

San Francisco Mgr. Retires

Gilbert Ball, manager of the San Francisco agency of California-Western States Life, will retire July 31. Mr. Ball has been with the company for 21 years. He started in 1929 as an agent in Oakland and in 1934 was appointed manager of the Sacramento agency. In 1940 he became manager of the San Francisco agency.

Mr. Ball is returning to his former home in New Zealand, where he and Mrs. Ball plan to live. Two years ago he and Mrs. Ball took an extended vacation trip to New Zealand and since that time have been making plans to return.

Until a new manager is chosen Harry W. Storck, superintendent of agencies, will be in charge of the San Francisco agency.

MacLeod St. John's Manager

Robert F. MacLeod has been appointed manager at St. John's, Newfoundland, for Manufacturers Life. Before joining the company in 1947, Mr. MacLeod was music and program director of radio station VONF.

Ernest Randall, who has been acting manager, will return to personal production.

Pan-American Hires Schwitz

Wallace B. Schwitz has been appointed as group supervisor for Pan-American Life. Prior to joining Pan-American Mr. Schwitz was with Occidental of California as a group representative.

Sterling Phila. Agency Opens

Sterling of Chicago has opened an agency in Philadelphia. It will be conducted by Daniel D. Fow, Jack I. Lewis and David M. Rudolph, all of Philadelphia who will be general agents.

The agency's offices are at 121 South Broad street.

Hancock Appoints O'Meara

John Hancock has appointed Regional Supervisor James J. O'Meara as the new manager of the New York number 5 district office. Otto G. Schwandt has been named regional supervisor of the west central territory, succeeding Mr. O'Meara.

Mr. O'Meara, who succeeds the late Walter Winkle, was an agent and assistant district manager in the greater New York territory for 14 years before

becoming regional supervisor.

Mr. Schwandt has been assistant manager of the district office at North St. Louis.

Ruben Cerull has been appointed assistant manager of Metropolitan in Sheboygan, Wis. Mr. Cerull succeeds Rupert Mahnke, with the company since 1936, who has been promoted to assistant manager of the field training division in the midwest area.

J. Homer Knight has joined Aetna's V. B. Askew agency in Wichita, Kan., as agency supervisor. He joined Aetna in 1948 at Kansas City.

No Canadian Interest Hike

OTTAWA, ONT.—The Canadian government has no intention of restoring to 4% from 3% the present interest rate on government annuities, according to Labor Minister Mitchell. He says it is not the government's intention to try and fool the people by subsidizing annuities to make them think they were getting something for nothing.

Mr. Mitchell said the interest rate was reduced when he was informed a year ago that there would be a loss of \$150 million in 10 years.

He denied that life companies had brought pressure on the government to reduce interest rates.



"FINEST BOOK EVER WRITTEN ON BUSINESS INSURANCE"

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PAUL SPEICHER
President

THE INSURANCE RESEARCH & REVIEW SERVICE
INDIANAPOLIS

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COMPANY MEN

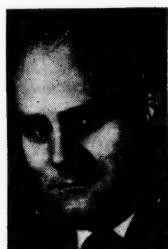
Two Elected V.-P.s by United Benefit

N. M. Longworth and R. S. Wagner have been elected vice-presidents of United Benefit Life.

Mr. Longworth, a graduate of the University of Omaha, joined United Benefit in 1935. He has been in the underwriting department since and was elected assistant vice-president earlier this year. He is a past president of the Insurance Institute of Nebraska and of Institute of Home Office Underwriters. Mr. Wagner, assistant vice-president, joined United Benefit in 1931 and is chief underwriter. A graduate of the University of Nebraska, Mr. Wagner is also past president of the Insurance Institute of Nebraska.

Sterling Appoints Strezo Superintendent of Claims

Charles Strezo has been appointed superintendent of claims of Sterling of Chicago. He started with the company in 1943 and in 1945 became assistant to the operations manager. In 1948 he was made supervisor of the claims department, which position he has held until now.



Charles Strezo

Kansas City Life has elected Joseph R. Bixby as assistant secretary. Mr. Bixby has been with the company since 1941 with the exception of a period in the armed forces.

AGENCY NEWS

Agency Buys Own Building

J. Harold Kay, general agent at Newark of Security Mutual Life, has purchased a three-story brick building there. The agency will occupy the two upper floors.

Newark Agency Up 33%

Arthur Lewis, Newark general agent of Pacific Mutual Life, reports a 33% gain in new business for the first half of the year over last year.

Agency Name Changed

The firm name of Blosser & Hill, general agents in Toledo for Aetna has been changed to John A. Hill & Associates. Clyde E. Blosser retired from business several years ago. A new branch in Lima is being established.

ACCIDENT

Propose Dominion-Wide Plan

TORONTO—A Canadian-wide health insurance and prepaid medical care program which would have as its basis an expansion of similar plans now in effect in six of Canada's provinces—was advocated in the retiring address of Dr. J. F. C. Anderson at the annual meeting of Canadian Medical Assn. He recommended that the basic cost be met by individual contributions and that government help be provided those unable to meet premium rates out of their own pockets.

Dr. Anderson said compulsory gov-

ernment health insurance would not insure better medical service.

Imperial Life of Canada has been licensed by the Canadian department to write A. & H. insurance.

MANAGERS

Blades Richmond President

James A. Blades, manager Metropolitan Life, has been elected president of Richmond (Va.) Life Agency Managers.

R. Hampton Davis, Jefferson Standard Life, is vice-president, and Wilbur L. Jenkins, Jr., Life of Georgia, secretary.

The managers of Springfield, Ill., have elected Wilbur R. Gibbs, Country Life, president; R. D. Peterson, New York Life, vice-president, and Harold A. Meyer, John Hancock, secretary-treasurer.

Capitol Names Wolfe

Capitol Life of Denver has named Albert E. Wolfe as agency manager at Waco, Texas. Mr. Wolfe attended Baylor University, and also served in the army air corps.

NEWS OF LIFE ASSOCIATIONS

Kentucky Association Elects Lacey Frantz

The Kentucky State Life Underwriters Assn. has elected Lacey Frantz of Anchorage, Ky., manager of Union Central Life, president. The other officers elected are Robert Seay, Louisville, vice-president; Frank E. Clegg, Lexington, secretary-treasurer.

The meeting was addressed by Dr. Cecil C. Carpenter, of Lexington, dean of the University of Kentucky's college of commerce. He said a school ideally should have facilities for a full curriculum in insurance training. Winston Emerick, Johnstown, Pa., delivered an address on "The National Association at Work." He is an N.A.L.U. trustee.

Shipley Succeeds Hoghe as California President

Richard J. Shipley, general agent for Northwestern Mutual at San Francisco, was elected president of California Assn. of Life Underwriters at the annual meeting at San Jose. He succeeds Rus-

sell L. Hoghe, Equitable of Iowa, Los Angeles.

Frederick A. Schnell, Penn Mutual, Los Angeles, was named vice-president; R. Edwin Wood, Phoenix Mutual, San Francisco, secretary, and Alpheus Gillette, Connecticut Mutual, San Diego, treasurer. Named national committeemen for northern and southern California, respectively, were Richard Benofsky, Mutual Life, Oakland, and Robert Albritton, Equitable of Iowa, Santa Monica.

Harry J. Stewart, president of West Coast Life, spoke at the banquet on "What Price Responsibility?"

Bland Advises Utah Assn. Leaders to Use Advertising

Frank Bland, Pacific Coast manager for The National Underwriter Co., advised the leadership training council of Utah Assn. of Life Underwriters that it pays local life insurance agents to advertise in local newspapers to further and explain their own activities of their associations. There were some 20 officers of local life associations of Utah

SAFETY MARGIN

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\$1.00 of liabilities,
Continental Assurance held
more than \$1.11
in assets.**

**Continental
Assurance Company**

Continental Companies Building
Chicago 4, Illinois



Associates: Continental Casualty Company
Transportation Insurance Company



**ORDINARY
GROUP**

GROUP PERMANENT

at the meeting. Everett Van Gold, state president, presided. Among those participating were Harry J. Syphus, general agent for Beneficial Life of Salt Lake City and N.A.L.U. trustee; Frank Mozley, veteran national committeeman from Salt Lake City and Melvin James, vice-president of the Utah association.

Mr. James was elected president of the state association to succeed Mr. Van Gold a few days later.

Kan. Training School July 8

The training school for officers of local associations of Kansas has been set for July 8 at Emporia under the direction of President-elect Keith Hayes, Mutual Life, Hutchinson.

The four western Kansas associations have set Oct. 14 for their first annual seminar at Hays. General chairman is D. W. Clouse, Business Men's Assurance, Almena.

The Coffeyville association will be host to the Southeast Kansas sales congress in October.

Plainsmen (Northwest Kansas)—New officers are: President, O. D. Calhoun, Penn Mutual, Colby; vice-president, J. W. Whitney, Kansas Farm Life, Norton;

secretary, Bernice Fort, Franklin Life, Colby; board chairman, Lloyd Heiny, Security Life, Goodland; national committeeman, D. W. Clouse, Business Men's Assurance, Almena.

Harvey Porter, Bankers Life of Iowa, McCook, Neb., spoke on "The Pursuit of Happiness."

Green Bay—Bernard Bertrand addressed the monthly luncheon of the Northeastern Wisconsin association. Past presidents were honored and N. Q. A. certificates were presented.

Indianapolis—James E. Bettis, Berkshire, has been named president; C. William Maibusher and John W. Cox, vice-presidents; Mrs. Marlon M. Hull, secretary, and Paul M. Williams, treasurer.

New Orleans—New officers include Thomas C. Nicholls, Jr., president; Fisher E. Simmons, Jr., vice-president; Mrs. Adele O. Levy, secretary, and Henry Miltenberger, treasurer. N. Q. A. awards were made to 23 agents.

Chattanooga—Edward E. Brown, dean of local life insurance agents, reviewed the progress of the business since he entered it 38 years ago. He then presented N. Q. A. awards to 12 members.

Toledo—New officers include William N. Knowles, president; Leon M. Wear, Prudential, 1st vice-president, and William Mauk, Aetna, 2nd vice-president.

Paducah—Newly elected officers in-

clude J. C. Dudley, vice-president; Mrs. Henrietta Smith, secretary-treasurer. Edmond A. Tilley was reelected president. N. Q. A. awards were presented to six agents.

Lexington, Ky.—New officers are Otis C. Amis, president; Robert L. Marks, executive vice-president; Paul E. Martin, vice-president; Mrs. Bertha G. Foley, secretary, Elwood Chambers, treasurer.

Helena—H. F. Gilboe of Great Falls was elected president of Montana association at the convention here. Frank Satter of Butte is vice-president; Joseph S. Persha, Great Falls, secretary and W. T. Preston of Great Falls is committeeman.

Elkhart, Ind.—Oren D. Pritchard, Union Central, Indianapolis, spoke at the ladies' night meeting. New officers are: Carl Cook, president; Phillip Baum, vice-president; Gerald F. Lambdin, secretary.

Wichita—Plans have been completed for the L.U.T.C. course to start about Nov. 1 and continue for 25 weeks. John V. Coe will be moderator. Both Part 1 and an advanced class will be offered.

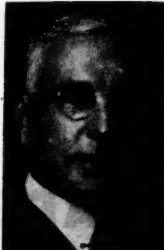
Richmond, Va.—Edward G. Cardwell has been elected president; Joseph S. Spivey, 1st vice-president; Edwin W. Thompson, 2nd vice-president, and Wilbur L. Jenkins, Jr., secretary.

Battle Creek, Mich.—Improvements in life insurance educational facilities in the past two decades were reviewed by John P. Williams of American College.

"Making money isn't the primary purpose of the educational program—it's just a dividend," he said. "Nevertheless 92% of the men in the C.L.U. program report their earnings increase as they study." He said use of a paid instructor for a C.L.U. class is best.

Corell Feted on Retirement

Horace B. Corell, whose retirement as deputy commissioner of the Michigan



H. B. Corell

department appeared in last week's issue, was feted by department associates, agents, and company men at a luncheon and dinner last week. With the department continuously for 32 years except for a brief period from 1941-43 when he was with Underwriters Laboratories, Mr. Corell became deputy commissioner in 1924. He was paid tributes by more than a score of speakers at the two affairs and was presented a watch by Commissioner Forbes. He had served as acting commissioner for several months prior to Mr. Forbes' appointment.

Lee, Jacobs Named

WASHINGTON—Laurence F. Lee, president of Peninsular Life, a vice-president of U. S. Chamber of Commerce, and Carl N. Jacobs, president Hardware Mutual Casualty, and a director of the chamber, have been named as members of its executive committee.

James S. Kemper, Lumbermen's Mutual Casualty, Chicago, made a report to a meeting of the chamber's board of directors here recently on the fifth plenary meeting of the Inter-American Council of Commerce and Production, held at Santos, Brazil.

The board received a report from the chamber's social security committee, through Mr. Jacobs, which said that "in most particulars", the social security bill as passed by the Senate, "is in line with national chamber policies."

Texas Club Extends Scope

Actuaries Club of the Southwest has now replaced the Actuaries Club of Texas, organized 15 months ago. Paul V. Montgomery, independent actuary, is president. As now constituted, membership is open to actuaries in Texas, Louisiana, Arkansas, Oklahoma and New Mexico.

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- 550 rooms and suites
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JOSEPH P. GREY
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Moderate Rates
\$250
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SAME MANAGEMENT
HOTEL PADRE BAKERSFIELD CALIF.
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SIXTH AND SPRING, LOS ANGELES

COMPLETE PROTECTION
Agency Franchises Available

ACCIDENT & HEALTH
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SPECIAL LIFE POLICIES

JEFFERSON NATIONAL
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FOUR ANSWERS for the AMBITIOUS LIFE UNDERWRITER

QUALITY COMPANY...

top rated mutual... over half century service... over three hundred millions insurance... over one hundred million of assets... over eight million in surplus... one of the very lowest net cost positions... full level premium reserve basis... modern... zero to age 65... streamlined policies... sub standard facilities... direct home office collection of premiums.

QUALITY COMPENSATION

very unusual, and well vested General Agents contract... generous and attractive for the career life underwriter... with extra automatic financing commissions... pays well for quality men and General Agents... a fine pension plan.

QUALITY TRAINING...

two week home office schools, refresher schools, for career men... constant group training for both young and veteran General Agents... in selection... recruiting... training... and supervision techniques.

QUALITY TERRITORY...

often possible for the ambitious life underwriter who wants to build two or three quality men, or more, right in his own territory.

CENTRAL LIFE
ASSURANCE SOCIETY
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1896

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One of the best



**PROVIDING FAMILY SECURITY
FOR OVER HALF A CENTURY**

SOUND—SAFE—REAL ESTATE—LOANS
San Francisco & Oakland, California Area
Inquiries Invited—Complete Service
A. J. BOCK CO.
MORTGAGE BROKERS
345 Franklin St., San Francisco 2, Calif.
Hemlock 1-5273

Race for DBL Business Ends

(CONTINUED FROM PAGE 3)

group man said "call it tremendous confusion." He attributed this to the circulation among employers by thousands of agents and brokers all with their own ideas and figures and competitive slants on how and by whom the business should have been written. If they had no competitive figures to offer an employer, producers contested those that had been given. "Never have we had to prove so many details. Everything in the quotation down to the last cent had to be backed up by statistics," another group man said. For months, employers were in the middle of a cross-fire of complex and contrary proposals and statements.

One impression was that some employers went into the state fund for the first quarter waiting for the smoke to clear figuring that they could decide upon a new carrier in relative calmness.

Thesis Stresses Greater Care Rather Than Further Tests as Recruiting Determinant

Gains in the future in life insurance recruiting are more likely to come from greater care and better judgment in interviews and investigations of prospective agents than from the use of additional tests to supplement those now available, concludes Donald G. Mortensen of Los Angeles State college in his thesis for the doctor of education degree. Mr. Mortensen, who has completed what is believed to be the fourth doctorate study dealing with the selection of life insurance agents, based his research on study of 50 active and 33 terminated agents contracted by 21 cooperating Los Angeles agencies since the recent war.

Writer's Background

Mr. Mortensen is the son of a life insurance agent and served in the navy. He became assistant director of the University of Southern California guidance center, resigning last year to join Los Angeles college. His research was sponsored and partially financed by the Steward of South Gate, Cal., who completed research for a doctorate in selection of agents in 1934 and how is publisher of sales personnel selection materials.

Canadian Veterans' Policies

Policies issued under the veterans' act of Canada now number 23,542 for an average amount of about \$3,000 each, and a total of \$67,448,000 in life insurance. About 90% of the policy issues have been kept in force since the act was passed.

New Cal. A. & H. Rulings

LOS ANGELES — Commissioner Downey has issued a bulletin and two rulings to A. & H. companies in California covering the new standard provisions law and changes in the unemployment compensation disability act. In his bulletin No. 97, Mr. Downey points out that since the enactment of the standard provisions laws, the department has been engaged in preparation of rules and has had many conferences with members of the A. & H. industry. However, it is apparent that it will not be possible to have an adequate set of rules promulgated and in force on July the effective date of the act. It is understood that the companies will withhold their new policy forms until an adequate set of rules can be laid down. In his rulings the commissioner points out changes in the UCD bill and amendments to the regulations on standard provisions for group disability policies.

N. Y. Life Better Letters Campaign

(CONTINUED FROM PAGE 2)

that formerly were in company archives were unfortunately destroyed in over zealous record elimination programs undertaken some years ago. Some of the letters in the exhibit were bought or borrowed from private museums.

Effective Letters

The manual was especially tailored by the company to its over-all improved letter writing program. It opens with a foreword by Executive Vice-president Clarence J. Myers, who says "whether a letter will be effective will always depend upon the personal judgment of each writer, upon his knowledge of the tools of the craft, and upon his awareness of the public relations function of business correspondence."

In the public relations department, Kermit Rolland specializes in handling the program.

Federal Life Agents Set Cavanaugh Month Record

Federal Life, which traditionally honors President L. D. Cavanaugh during June, his birth month, this year established an all time record by writing more than \$3 million of life insurance and by increasing A. & H. 23% over June, 1949.

Mr. Cavanaugh will have an opportunity to express his gratitude to leading producers during the coming Federal Life convention to be held July 9-14 at Coronado Beach, Cal. Attendance is an award to agents writing a certain quantity and quality of business during the previous calendar year. About 125 agents have qualified.

St. Louis Trust Council Elects

Richard Weidert, Mercantile-Commerce Bank & Trust Co., has been elected president of St. Louis Life Insurance & Trust Council. He succeeds W. Scott Smith, Massachusetts Mutual Life.

Vice-president is Albert Stix, Jr., Mutual Benefit Life; treasurer, Ralph Johnston, Equitable Society, and secretary, Elmer F. Morce, St. Louis Union Trust Co.

California Water Service Co., San Jose, has sold to New York Life, in two installments, \$1,600,000 of 3 1/4 % first mortgage bonds, series C, due in 1975.

The World's TOUGHEST BOSS . . .

That's you. You're never quite satisfied with your day's output. Even when you reach a goal, you wonder if you couldn't have aimed higher, done better. Each day you expect yourself to start earlier, work harder, finish later. Yes, as your own boss, you're mighty hard to please. But can you think of a better fellow to work for?



NORTH AMERICAN Life and Casualty Company



Founded 1896

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President

North American Reassurance Company

J. Howard Oden, President

110 East 42nd Street

New York 17, N. Y.

LIFE REINSURANCE EXCLUSIVELY

Sales Ideas and Suggestions

Better Letters Can Improve Client-Agent Relationship

"A client getting your letter will take its physical appearance as a token of your own," Mildred F. Stone, director of policyholders service Mutual Benefit Life, told agents at the annual meeting of the Solomon Huber agency of Mutual Benefit Life in New York City. The letter should show that the agent is an easy person to work with and that he can make life insurance matters, so complicated to the mind of the average person, easy to understand.

Among the things she cautioned against were bad spelling, ragged margins, finger marks, crowded pages, smears, type, poor paragraphing, wrong punctuation and unsightly envelopes. She suggested having a letter with an adequate margin with the body of the letter well placed on the page. Make the letter look comfortable, she suggested.

Use Short Sentence

Correct letters observe three simple principles, she said. She recommended short sentences. She said the average person finds reading difficult if sentences average more than 17 words.

Life insurance may be a vague subject even to better educated clients, she said. Words should be short and non-technical. She questioned whether the use of technical terms adds to the prestige of the agent and said they tend to lose or at least delay the sale, what-

ever they might do for prestige. "Men don't buy life insurance so much on the basis of being impressed by the agent as because they understand and want the life insurance solution to their problem," she said.

Short words need not mean kindergarten writing, she observed. Don't say "execute this instrument" when you mean "sign this form." Don't say "endeavor to ascertain the situation" when "try to find out how things are" is meant. Instead of saying "paid-up contract" say "fully paid for" or a policy "requiring no more premium payments."

A third suggestion was that letters make the agent an easy person to understand when discussing difficult subjects. She suggested using people's names, personal words and active phraseology. Don't say "if it is desired to surrender this policy." Say "if you need to cash in your policy." Don't say "at maturity the supplementary income options could be exercised by the beneficiary." Say "when the money under this policy becomes payable, your wife could choose to take income under one of several plans."

Friendly, Pleasant Letters

The letter should make the prospect say when he reads it, "This man would be nice to deal with." Make every following letter point even more strongly to that idea. To help make letters

follow that over-all tone put the reader and his affairs in the first place in the letter. Keep away from stereotyped opening phrases such as "received yours of . . .", she urged. Start by thanking the reader if he has written first in a way that makes such an opening appropriate or ask a question: "Do you . . .?" "Would you like . . .?" "Have you . . .?" Or report on action that you have taken such as "Here is the report you requested," or "The list you need will be ready next week."

She suggested keeping away from words that are unpleasant or have had emotional associations. The word "death" is one of these. Whenever another expression can be used naturally, it should be done. For example, instead of saying "die before" (never predecease) turn the sentence around and say that "Someone lives longer than." Instead of using words like "demand" or "require," Miss Stone suggested the expression "the company needs to have such and such" if the agent is explaining a home office requirement.

Avoid Cold Tone

Before the letter is finished read back or think back over what has been said and if it has a cold and colorless tone add a final sentence that makes it warm and friendly. The result and good will is worth far more than the little extra effort.

If the letter must tell the reader that he is wrong or refuse his request never make him feel foolish or try to show up his ignorance. The big job is to save face for the reader. If he must be told that he is wrong, start from his point of view, she suggested. Comment that his idea is natural judged by what he had occasion to know. Then tactfully present new information to provide a reasonable basis for the answer that must be given. Perhaps an observation can be made that the opinion or reaction is a common one for laymen to make or something of that sort. Perhaps the letter can do an ego building job for the reader without using flattery. This can be done in good taste without being a hypocrite. For example, the use of a man's name and title, correctly spelled and expressed, making a prompt reply to a letter you received, adding courteous little touches like "please" or "at your convenience," all help build the reader's sense of importance.

Commend the Person

It may be helpful to add a commendatory note to a plain statement on occasion. For instance, insert an adjective in these expressions: Instead of "your report" say "your complete report;" instead of "your reply" say "your careful reply;" instead of "your arrangements" say "your thoughtful arrangements."

Some letters are purely for ego-building purposes. They may be sent to congratulate someone on his success, or express appreciation for a public service. Written properly such a letter wins the approval of people for the writer.

The book "Better Life Insurance Letters" written by Miss Stone has recently been published by the National Underwriter Co. and is available at any office of the company at \$2.50.

Cullin Chicago President

Victor Cullin, Chicago Title & Trust Co., has been elected president of Chicago Life Insurance & Trust Council succeeding Louis W. Fischer, American National Bank & Trust Co.

Other officers are: Joshua B. Glasser, Continental Assurance, vice-president; W. O. Heath, Harris Trust & Savings Bank, treasurer and Roland D. Hinkle, Equitable Society, secretary.

Careful Planning Helps Make Good Presentation

Sales pointers for the presentation interview were given by Victor R. Goldberg, of the Solomon Huber agency of Mutual Benefit Life in New York City at its annual meeting. The report to the prospect should be brief without excluding any important points. Three short items on three separate pages make for greater effectiveness, even if covered briefly, he said, than they do if contained on one page.

The presentation should not become a dull monologue on the part of the agent, he recommended. At various stages the agent should read some of the material aloud, at other points the client ought to read some of the material to himself.

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

ACTUARY

Southern life insurance company offers excellent opportunity to qualified actuary preferably in thirties and with F.S.A. degree. Liberal salary and unusually good prospects for future. Write A-68, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

NORTH CAROLINA—General Agency Opening For Man Under 40 with —

- ✓ Proven leadership qualities
- ✓ Personal stability and integrity
- ✓ Primary interest in agency building
- ✓ Ability to develop and hold full-time career underwriters

Outstanding opportunity to build lifetime career with one of the largest and oldest Eastern Mutuals (Ordinary only), well and favorably known throughout the State. Complete and continued Home Office cooperation, established selection and training program, co-ordinated training and sales aids.

Write fully to Box A-74, The National Underwriter, 175 West Jackson Blvd., Chicago 4, Ill.

All replies confidential

EXCELLENT OPPORTUNITY IN A GROWING ORGANIZATION

For an ambitious supervisor who can recruit and train agents

This is an addition, not a replacement

RON STEVER AGENCY
Equitable Life Assurance Society
411 West Fifth Street
Los Angeles 13, California

Don't Answer This Unless...

You are the type of man who ordinarily does not reply to personnel advertisements. A large West Coast Life and Accident and Health Insurance Company with over eighty years of service to the public, is expanding its Agency staff. A fine opportunity exists for a man between the ages of 28 and 40, preferably with both field and home office experience, to do field supervisory and agency development work. Salary commensurate with responsibilities.

State previous business and insurance experience in detail, and indicate present salary, age, educational background and family status. All information held strictly confidential. This company's Agency staff is aware of this advertisement.

Box A-55, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois

GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Attractive Agency Contracts

COMPLETE LIFE INSURANCE COVERAGES—AGES 0-60

For Particulars Write Home Office

159 North Dearborn St., Chicago 1, Illinois

WILLIAM J. ALEXANDER, PRESIDENT

The agent should explain part of the material without necessarily reading it. In this way it can become a motivating interview with the client as an active participant. This brings about a frequent change of pace, so necessary in any prolonged discussion.

Control Presentation

Generally a looseleaf report which is turned over to the client at an appropriate time is helpful in eliminating the situation where the client takes the report and skims over it lightly or glances at only a few of the pages. The agent ought to control the physical and manipulative efforts of the client.

Be able to recognize an opportunity to make the close, he suggested. Very often the client evinces an interest in completing his objectives before the presentation has been completed. The opportunity to sell should not be allowed to pass without using it.

Material that is to be presented orally should be carefully prepared. Generally what is contained in the presentation is more effective in selling the plan than the matter so laboriously presented within the report. A sheet carefully prepared by the agent for his own use covering the points he wishes to make is very helpful.

Show Income Totals

Do not forget to show the guaranteed income totals, he urged. If \$40,000 of life insurance will yield \$60,000 in income this should be shown in the form of a special page in the presentation. The client does not know that this increased amount is free from both estate tax and income tax. The interest option should be watched in this respect, however, he cautioned.

It is helpful to reserve some sales ammunition for the time of decision, he said. Motivating stories can bring the most interested prospect to the point of disinterest when he is subjected to the same story in the same way more than once. Don't bore the prospect. An agent should continually devise new methods of telling his story differently. Don't forget to tell the prospect how much his plan will cost, he urged. He is entitled to know what steps he must take to complete the plan or a compromise. Proper motivation, Mr. Goldberg said, will prove that there is little or no cost attached to the plan. It is an annual deposit arrangement during which the cost of reducing term will be absorbed in whole or to a great extent by increasing cash values. From an estate standpoint there is no cost involved when the client dies.

Finally, he said, more insurance will be put in force in the future through capital transfers rather than through the allocation of surplus income. Even the man with a few hundred dollars in the bank can be shown the wisdom of transferring some part of it into a life insurance account, he said.

COMPANIES

Mutual Life Magazine Sent to Policyholders

The first issue of "Policyholder News" was distributed this week to 40,000 policyholders of Mutual Life in selected territories throughout the United States. The eight-page magazine is published by the company's public relations division. The new publication will be issued bi-monthly for the next year to sample policyholder reaction. If results of the test are satisfactory, the publication will become permanent.

Among the features in the first issue are articles covering the principles of mutual life, lapses and surrenders, public health and safety, and the importance of life insurance funds as a source of capital for local housing and industry.

Mo. Merger Effectuated

Effective June 30, the business of American Mutual Assn. of Osceola, Mo., has been merged with Western Life of

St. Louis. American Mutual was organized in 1930 as an assessment company; it was recently reorganized as a stipulated premium company. It has approximately \$1½ million in force. Its officers were Grace H. Toalson, president; Glen F. Toalson, vice-president, and Glen E. Toalson, secretary.

Western Life was organized in 1894 by Carlton G. Haizlip, secretary of the company since its establishment.

Mutual Benefit Life Helps New Jersey to Economize

Mutual Benefit Life is participating in a move to promote economy in the New Jersey state government. The New Jersey Taxpayers Assn. recently approached the company for help in reducing the cost of government in the state. James P. Moore, Jr., an executive of the company, was named to conduct the survey of management procedures in the department of purchases and property. Mr. Moore began the study in June in Trenton, and he has since made several trips to the state capitol.

Mo. Farm Bureau Sets Up a Life Company

Farm Bureau Life of Missouri has been organized and its licensing is awaited momentarily. It starts off with \$100,000 capital and \$50,000 net surplus and the active operating head will be Albert Ludwig, who is also manager of Farm Bureau Mutual of Missouri, which is a fire and casualty company. The president of Farm Bureau Life is Emmett Slusher, who is president of Missouri Farm Bureau, and secretary is Frank D. Johnson, also of the Farm Bureau.

Charles Blaylock, most recently with Business Men's Assurance, is the actuary. Much of the organization work was done by John Casey, consultant of St. Louis, and the consulting actuarial firm of Nelson & Warren of St. Louis.

United Life of Philadelphia has been admitted to Ohio.

Security Benefit Life of Topeka, has been admitted to Ohio.

POLICIES

Mutual Life Liberalizes Non-Medical Policy Rules

Mutual Life will now issue non-medical insurance up to \$10,000 through age 30. Previously the limit was \$5,000 for all age groups up to 40. The new rules extend to military airplane pilots and, with certain limits, to civilian pilots. Double indemnity and waiver of premium provisions may be applied for under the new non-medical rules.

New Policy by Home Life

A modified life paid up at 85 has been announced by Home Life. The policy contains a term to 65 option which becomes paid up at age 62 and will be issued on both a standard and substandard basis.

Although the policy serves primarily as a substitute issue to applicants for the company's preferred modified life plan who fail to qualify as a preferred risk, other applicants within the age and amount limits may be handled on a non-medical basis. The minimum amount of insurance issued under the new plan is \$2,500. The maximum age at issue is 50, compared to 45 for the preferred modified life plan. The minimum age is 17.

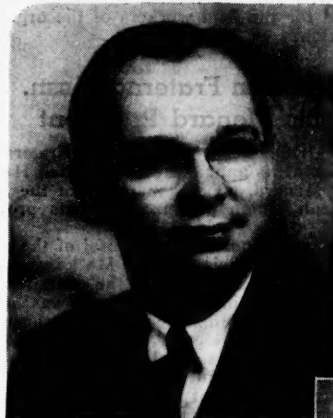
Sample annual premiums per thousand dollars of modified life paid up at 85 are as follows: at age 25, \$14.36 for the first 5 years and \$29.57 thereafter; age 30, \$16.29 for the first 5 years and \$25.27 thereafter; at age 35, \$18.77 for the first 5 years and \$29.57 thereafter; at age 40, \$22.03 for the first 5 years and \$35.10 thereafter.

The Friendly Company of Distinction presents

The ROLL CALL

of

*Q-MEN



E. W. MILLHOLLAND
Columbus, Ohio



C. W. MASON
Jackson, Michigan

* Quality Award Winners selected yearly by The National Association of Life Underwriters and the Life Insurance Agency Management Association.

Regarded as one of our finest career life underwriters, Emmett W. Millholland, associate of the prominent J. W. Millholland Agency of Columbus, Ohio, joined The Ohio National in 1929 immediately following his graduation from Ohio State University.

An ONLI for twenty years, C. W. Mason of the H. C. Brogan Agency, Lansing, Michigan, has built his underwriting success on skillful programming of life insurance needs.

The OHIO NATIONAL

LIFE INSURANCE COMPANY, Cincinnati, Ohio

By using our tested

HOME SECURITY MAILER

... our agents and general agents are selling three out of five Home Security prospects. We feel that Reserve Life's Home Security program and prospecting service has been instrumental in the outstanding increase in our new business written during the past twelve months.

If you are not taking advantage of the huge market for Home Security insurance, write to S. J. Gilbert, Vice President and Director of Life Agencies, for full details of what Reserve Life has to offer.

RESERVE LIFE

INSURANCE COMPANY

HOME OFFICE: DALLAS, TEXAS

LEGAL RESERVE FRATERNALS

Royal Neighbors Elects Torkelson

At the national convention of Royal Neighbors at San Antonio, Mrs. Frances L. Torkelson of Lincoln, Neb., was elected supreme oracle or national president. She succeeds Mrs. Grace W. McCurdy of Bettendorf, Ia., who was nomi-



Frances Torkelson



Margaret Walker

nated for the office, but declined to run for reelection because of ill health. Miss Margaret Walker of Rock Island was elected for her first four-year term as supreme recorder. She had been filling the office by appointment.

New President's Career

Mrs. Torkelson assumed the top office after serving the society for 23 years as a member of its board of supreme directors. She has previously been supreme receiver and supreme auditor. She is a past president of the Nebraska Fraternal Congress.

The retirement of Mrs. McCurdy closed a career of 23 years as an officer of Royal Neighbors. She had held the top position since 1938 and prior to that had been supreme manager and supreme auditor. She is a past president of National Fraternal Congress.

The following were elected supreme directors: Mrs. Jessie L. Mitchell, Brighton, Mich.; Mrs. Margaret Gorman, Chicago; Mrs. Edna E. Walsh, Kansas City; Miss Anna Spangler, Denver; Mrs. Nelle A. Sexton, Spencer, Ia.

Those elected supreme auditors were: Mrs. Myrtle I. Gunderson, Lone Rock, Wis.; Mrs. Nellie A. Mercier, Perryville, Mo.; and Mrs. Luella H. Ives, Minneapolis.

Dunlap Supreme Chancellor

Other officers selected included: Mrs. Bertha Dunlap, Whitaker, Pa., supreme chancellor; Mrs. Nora C. Doyle, Waterburg, Conn., supreme marshal; Mrs. Thelma Eddy, Steubenville, O., supreme inner sentinel, and Mrs. Ruby Irwin, Tulsa, supreme outer sentinel.

Contributions amounting to more than \$10,000 were made for the Royal Neighbors home for aged members at Davenport, Ia.

INCREASE YOUR INCOME

You make more money selling when you represent a society that has a complete line of modern life insurance contracts.

Life insurance contracts that provide PROTECTION to take care of every need—INCOME for the assured—PROTECTION FOR DEPENDENTS—EDUCATION for children—MORTGAGE payment—ACCIDENT protection—SALARY replacement, help increase sales.

Rate and Reserves based on the latest and most modern C.S.O. mortality table and 2 1/4% interest assumption.

For information write to

J. Allen Porterfield, Field Manager
Sell the Best — Sell for the

EQUITABLE RESERVE ASSOCIATION

Life Insurance for Men, Women and Children
Neenah, Wisconsin

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Agnes E. Koob

Dorothy H. Needham

Supreme President

Supreme Secretary

Port Huron, Michigan

After the conclave, a conference was held for the field workers of the organization.

Canadian Fraternal Assn. Elects Menard President

TORONTO — Canadian Fraternal Assn. at its annual meeting elected Hector Menard, general manager of the St. Joseph Union of Canada, as its president.

R. Leighton Foster, counsel of the association, in reviewing the Marks vs. Imperial Life case in which the court ruled that the plaintiff beneficiary was not aware as to the nature of the loan agreement she had signed on her husband's policy, made several suggestions on practices to counteract such situations. He advised that on certificate loan agreement forms a statement or warning should be placed to bring to any preferred beneficiary's attention the fact that she is joining in an application for a certificate loan. He suggested further the practice of requiring that loan checks payable to an insured or any preferred beneficiary be endorsed personally and as exactly drawn.

Aid Assn. for Lutherans Convenes in San Francisco

Aid Assn. for Lutherans will hold its general sales conference in San Francisco July 10-12. The opening remarks will be made by Herbert G. Benz, agency director, and the speakers will be Rev. E. F. Engelbert, national director; Ira L. Lecy, sales training director; Frank W. Bland, Pacific Coast manager THE NATIONAL UNDERWRITER, "The Job as I See It"; LeRoy G. Stohman, secretary; Dr. L. E. Haentzschel, medical director; Mrs. Stella Gibbs, assistant director of education and training California-Western States Life; Wm. H. Zuehlke, treasurer; Victor G. Zarembo, sales promotion director; Foster F. Farrell, secretary-treasurer-manager National Fraternal Congress, "As One Fraternalist to Another"; Otto C. Rentner, vice-president and general counsel, and Alex O. Benz, president.

High Official of Equitable Reserve Dies Suddenly

Merlin L. Ridgeway, 56, supreme vice-president of Equitable Reserve Assn., Neenah, Wis., died suddenly at a hospital there following a heart attack. Born at Plymouth, Ia., and graduated from Coe College, where he majored in mathematics, he was employed by the old Cedar Rapids Life of Iowa, and with Equitable Reserve in 1937. The following year he was appointed assistant secretary and became actuary the same year. In 1943 he was appointed supreme secretary, and became supreme vice-president a few weeks ago.

From 1942 for three years he was secretary of Fraternal Actuarial Assn., and was a past president of Wisconsin Fraternal Congress. Following services in Neenah, burial services were held at Cedar Rapids, Ia. Norton J. Williams, president, and J. S. Tolverson, vice-president, attended the burial.

Milwaukee Congress Elects Dammann as President

MILWAUKEE—New officers elected by the Milwaukee Fraternal Congress are: William Dammann, Loyal Order of Moose, president; Walter Rohde, Elks, vice-president; Lillian Eichholz, Western Bohemian Fraternal, secretary; Lillian M. Sharen, Degree of Honor Protective, treasurer; O. G. Dinsmore, National Mutual Benefit, and Leon Coulton, Modern Woodmen of America, directors.

Aetna Meet Stresses Modern Techniques

Modern techniques in the development of life insurance programs for individuals and business organizations were outlined by a number of speakers at the eastern regional meeting of the Corps of Regionnaires of Aetna Life in Dixville Notch, N. H.

Commissioner Knowlton of New Hampshire opened the first business session. The Old Guard, comprising Aetna Life salesmen who have been Regionnaires each of the 22 years since the corps was founded, was introduced by Donald E. Hanson, superintendent of agencies. In this group were H. Cochran Fisher, and F. N. Stricklin of Washington, D. C.; S. H. Friedman of Tulsa; Arthur E. Hicks of Joliet; Rudolph LeBoy of Chicago; Ernest L. McCutcheon of Hartford; H. Griffith Robbins of Philadelphia; Erhardt G. Schmitt of New Haven; and Arthur W. Young of Fort Wayne. Mr. Hanson also introduced 51 veterans who have been Regionnaires for 10 or more years.

Optimistic Growth Outlook

Reporting an optimistic outlook for the future growth of life insurance, Mr. Hanson cited a survey of 24,000 applicants for ordinary life policies last year and declared that a higher average in volume and in premium could be attained "by directing more of our prospecting activity to the age and income groups that were most productive during 1949."

Mr. Hanson cautioned the Regionnaires, however, against overlooking the young insurance buyer, whom he described as a reservoir of future business.

Making his first public appearance since his election as president of the National Assn. of Insurance Commissioners, Commissioner Allyn, of Connecticut, told delegates that he was impressed by the continuing sound growth of Aetna.

J. C. Fields of Birmingham pointed out that the insurance salesman who failed to promote the sale of accident insurance was just as negligent as the business man who failed to buy it.

A 30-minute sales demonstration, dramatizing the method of presenting to an employer a typical group insurance "package" plan for an average medium-sized business organization, was conducted under the direction of I. F. Cook, secretary of the group department.

Participating in the skit, which portrayed both the role of the salesman and the home office group representative, were H. R. Grimes, assistant field supervisor, A. A. Haemerle, group representative, and E. L. Davis, all of Boston.

SLUMP ANTIDOTE

Thomas R. Quilter of Detroit, Mich., told the Regionnaires that direct mail was a preventive for sales slumps. For those who are now in a slump, and who have not previously used direct mail, he added, it was a remedy. Mr. Quilter said he mailed pre-approach letters from the agency to referred leads. Those who did not reply and those who replied but refused an appointment, he continued, were then placed on the home office di-

rect mail list and were sent material from Hartford. Repeated use of the same list with home office direct mail had not impaired his reply ratio, he stated.

In a plea for recognition of the importance of good public relations, L. K. Babcock, secretary, declared that the growing threat of government invasion of the insurance field will become real only if the public believes or can be persuaded that government bureaus can do more efficient job than private insurance companies.

Referred Lead Value

Arthur L. Zepf of Toledo, opened the second day's business session with a discussion on prospecting with the estate control plan, pointing out the value of referred leads and emphasizing the vast distinction between a list of names and a list of true prospects.

Mr. Zepf stated that 95% of his policyholders came from referred leads and more particularly, by means of the company-sponsored first interview prospecting technique. To prove the system worked under any circumstances, he said that en route to the meeting he stopped in Montreal where he has no contacts, secured several referred leads and obtained from these total strangers the data necessary for an insurance program.

In building a well-rounded business, Wetherbee Lamson of Lowell, Mass., told the Regionnaires a salesman should continually increase his knowledge, engage in community activities, have a strong regard for the prospect's welfare and develop a fundamental sale story.

Salesmen should strive to place themselves in situations where any type of life insurance may be at a solution, continued Mr. Lamson, adding that the solution should not be presented until competent counsel, from the general agent or other experienced insurance man, had been secured. Being able to fit easily into almost any kind of social or business situation is another requirement for a well-rounded business, he stated.

Estate Control System

Philip J. Adams of New York City described the sales system, built around the company's estate control plan, which had made him one of Aetna's leading producers.

Starting with a pre-approach letter followed by a telephone call for an appointment, Mr. Adams declared he stressed the completion of the data sheet on an irreducible minimum basis, regardless of whether the requirements fell below the point where more insurance was needed. "This concept," he pointed out, "adds to the sales effectiveness because of the sincerity of the salesman which is reflected to the prospect."

In a talk on business life insurance as a 1950 opportunity, G. W. Manhold of Newark, stated he secured interview with 50% of the prospects whom he telephoned for an appointment after sending a preapproach letter.

Lincoln National Midwest Conference Draws 150

The 1950 midwestern sales convention in Hot Springs, Va., of Lincoln National Life is being attended by 150 agents. The meeting is the second of three regional sales conventions sponsored this year by the company. An eastern meet-

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1885

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary

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ing is scheduled for July 24-26 in White Sulphur Springs, W. Va. Features of the three-day meeting include talks by A. J. McAndless, president; Cecil F. Cross, vice-president and director of agencies; W. T. Plogsterth, director of field service; F. J. McDiarmid, 2nd vice-president and manager of the investment department; Dr. H. Clive McAlister, medical director; T. A. Watson, sales manager, group department; Dr. L. A. Warren, director of Lincoln National Foundation; H. B. Crawley, Chicago; G. L. Shoup, general agent in Grand Rapids; Glenn W. Isgrig, Cincinnati manager of Reliance Life, and William King, general agent for Fidelity Mutual Life in St. Louis.

Penn Mutual Life Holds Tri-State Conference

Penn Mutual Life held a tri-state conference of three of its western agencies on the south rim of the Grand Canyon in Arizona. The three agencies meeting were those of Todd W. Bechtol, Salt Lake City; Mel Fickas, Phoenix, and Charles Schatz, Albuquerque.

There were three discussion forums, one on "How I Organize My Time," the leaders being William Wisdom, Phoenix, Jack Paul, Salt Lake, and William Winchester, Albuquerque. The second forum was "How I Get Names," the discussion leaders being Glenn Wood, Phoenix, Edward Digneo, Albuquerque, and Gordon Simpson, Salt Lake. The third forum was "How I Make Appointments," led by Jack Williams, Phoenix, and George Robinson, Salt Lake.

Mr. Williams gave a talk on "Orphan Policyholders," Mr. Fickas had for his subject "Making Them Like You" and Mr. Wood spoke on "Cold Canvass."

Hear Huebner, Johnson

Vice-president J. M. Huebner attended from the home office to discuss "Underwriting Today" and Vice-President Eric G. Johnson spoke on "Today's Life Underwriter."

The problems of a second year in the life insurance business was the theme of Charles Woodruff, Salt Lake, and Gordon Maxson, Albuquerque, demonstrated "Telephone Short Cuts."

An unusual program feature was when all the members of the Salt Lake City agency produced a panel on the retirement income sales talk and on the mortgage protection sales talk.

Penn Mutual Regional Features Seminar Technique

The main features of Penn Mutual Life's California regional conference at Santa Barbara were several seminars whose subjects were based on the theme of the conference, "The Sale of Life Insurance Is a Procedure. If You Have a Procedure You Don't Have Any Problem." The theme was considered by 32 speakers who broke the problems down into four major seminars. Each speaker produced one main idea of procedure in a given channel. There were seminars on self-organization and time control, prospecting, appointments, delivery, and business insurance.

RECORDS

New business for the first six months of the year is 10% above that in the same period in 1949 for **Kansas City Life**. The total insurance now in force is \$816 million. This is an increase of \$16 million over the amount reported as of Dec. 31, 1949. Assets have increased by \$6,500,000 since the year end and now total more than \$230 million.

Great-West Life's total new business for June of \$20,381,000 was \$4 million better than last year and the best June on record. Total production for the first six months exceeded \$121 million. The Chicago branch, under Earl M. Schwemm, continued to lead the company. In June, it recorded its 72nd consecutive month of a million dollars or more.

Economist's Study Reveals '47 Mortgage Yield Drop

National Bureau of Economic Research is publishing a monograph by Raymond J. Saulnier in which the director of the bureau's financial research program concludes from a study of 44 life insurance companies that most of them earned between 2.9 and 3.5% on their urban mortgage loan investments in 1947, considerably lower than was earned in the two preceding years. The paper by Mr. Saulnier, who is a professor of economics at Columbia, is the first in a series of studies in real estate financing completed under grants from the Assn. of Reserve City Bankers, Life Insurance Assn. of America and the Rockefeller Foundation.

According to Mr. Saulnier, the bulk of the reporting companies, which ranged up to 71, had net yields on urban mortgage loans of between 3.03 and 3.63% in 1946 and between 3.40 and 4% in 1945. He cautioned that no allowance is made in these ratios for the cost of money to the companies or for potential losses inherent in mortgage loan portfolios.

Prof. Saulnier notes that there is some tendency for net income to be higher for companies having large amounts of urban mortgages than for those with relatively small portfolios. He deduces that variations among companies with respect to the net yield are to be sought in differences in the types of loan made or in the skill with which company operations are administered, rather than in the general plan of operations. The net income ratios of reporting companies in very large portfolios tend to be scattered more widely than do their gross income ratios, he said.

Data on total costs reported by 44 to 52 companies showed that the cost ratio of companies with small portfolios vary over a wider range than do those of companies having larger amounts of urban mortgage investments. The level of total cost decreases as average loan investment increases. Mr. Saulnier does not attribute this difference entirely to the economies of large-scale operations, reasoning that the large portfolios are known to consist of large loans on income-producing properties which have relatively low operating costs per dollar of investment and also low interest rates.

Indianapolis C.L.U. Elects

Hastings A. Smith, New England Mutual Life, was elected president of the Indianapolis C.L.U.

Other officers elected are: Central vice-president, Jean Black, Connecticut General Life; northern vice-president, Harold O. Bull, Northwestern Mutual Life; southern vice-president, Archie M. Koon, Equitable Society, and secretary-treasurer, Hilbert E. Rust, R. & R.

Hancock Presents Portrait

John Hancock has presented to the U. S. Military Academy a portrait of the late Maj. Gen. George W. Goethals, the directing engineer of the Panama Canal project. The portrait was painted by Robert Fawcett for John Hancock's current American folks series of advertisements. Manuel L. Camps, general agent at New York, presented the picture to the superintendent of the academy. Dr. Thomas R. Goethals of Boston, son of General Goethals, was present.

Redford Is President

George Redford of Connecticut Mutual has been elected president of Assn. of Insurance Company Buyers. Six meetings will be held this year in principal cities throughout New England, the first being scheduled for Boston in October. Scott Phillips, Monarch Life, is vice-president; George Champlin, Factory Insurance Assn., treasurer; and Felix A. Tangerone, Phoenix Mutual, secretary.

The KEY TO SECURITY



A Key to Success
for
Equitable of Iowa
Field Underwriters

Equitable Life of Iowa's field underwriters have enthusiastically endorsed the *Key to Security*, the Company's new and simplified method of life insurance programming. With a professional approach that is easy to understand, the *Key to Security* clearly defines the prospect's life insurance program requirements and graphically portrays the solution to his estate problems.

This new method of programming is consistently demonstrating its effectiveness as an aid to career life underwriting for Equitable of Iowa field men.

A three months survey indicates:

- Highly satisfactory results from the new *Key to Security* direct mail approach.
- A better than average ratio of sales per interview.
- 547 *Key to Security* sales totaling \$7,113,543.
- An average size policy of more than \$13,000.

Those are four excellent reasons why Equitable of Iowa field underwriters know that the *Key to Security* is their Key to Success.

EQUITABLE LIFE INSURANCE COMPANY of IOWA

Founded 1867

Des Moines

OVER ONE BILLION LIFE INSURANCE IN FORCE



KNOWS
THAT

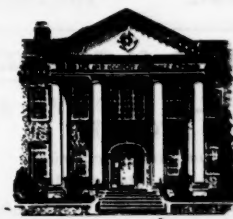
Life - Health - Accident -
Hospitalization Insurance
are all necessary

THE UNITED SELLS THIS COMBINATION

For particulars write to WM. D. HALLER,
Vice President and Agency Manager

UNITED
LIFE AND ACCIDENT
INSURANCE COMPANY

Concord, New Hampshire



How Crown Life Cut Policy Change Time

(CONTINUED FROM PAGE 9)

than had been performed previously. The same amount of work was assigned to each person in a particular operation regardless of capacity. What happened was that each person completed his assignment. Every person in the department without exception complimented the supervisor on the splendid system. The employees became very

happy to have a clear-cut job to do without the threat of overtime and the pressure of work on their desk. The carryover began to drop because more work was being performed. The carryover was a department carryover rather than the sum of the individual carryovers. The carryover actually dropped so far that there were periods at the beginning of the day when as much as one-third of the department had no work to do.

Two results followed. One was that the poorer grade clerks always kept up to the best grade but mistakes crept into his work which obstructed the efficiency of those in the next operation. In one particular case this became so noticeable that the company had to threaten to reduce the amount of work allocated unless an improvement was shown. As this department now operates, that is the worst disgrace that any particular clerk can suffer.

Worried Over Idleness

The other result was that dissatisfaction crept into the department because they felt their jobs were insecure because for some part of the day they had nothing to do. This could, of course, have been easily corrected but the company waited to be sure that the results were not temporary. The effect on the average time to perform a policy change was phenomenal. It was reduced two-thirds. The staff was reduced when it became evident that the system was going to work on a permanent basis. The outlay for salaries was reduced, as a result of reducing the staff and eliminating overtime, by \$5,000 annually.

"As we look back on this development we appreciate that it arose through a theoretical approach but it was heavily dependent upon the work attitude of the employee", said Mr. Watson. "It depends upon the allocation of specific work to an employee which gives him a definite daily objective. We allocate four times a day and keep a record of the work allocated to each individual. It also depends upon the recognition of the important effect of carryover on resulting efficiency. Every effort is made to reduce the carryover. The method used in this case was to have a departmental carryover rather than an individual carryover which removed the tendency of employees to artificially create a certain minimum amount of work on hand for the sake of their own security and for the sake of providing a continuity in their work. This latter force, which is at work in any department, results in an increasing carryover if the staff is increased. Under the system just described an increase in staff will reduce the carryover and, therefore, an increase in staff will be productive."

Enlarged Improved "Unique Manual" Comes Off Press

(CONTINUED FROM PAGE 1)

medium sized and small, in such detail that a sizable catalog would be required to fully describe it. The entire volume is thoroughly indexed, both by topics and by companies. The "Unique Manual" is truly a "must" in every progressive agency that wants to have all the answers. Copies are now being delivered to all pre-publication subscribers. Additional copies, for early delivery, may be ordered from The National Underwriter Co., statistical division, 420 East Fourth street, Cincinnati 2, Ohio, or any National Underwriter office. The single copy price is \$8.50.

Runoff Election for Oklahoma Commissioner

Donald F. Dickey, Oklahoma insurance commissioner, and Bill D. Read will have to go into a runoff election

for Oklahoma commissioner because neither one received a majority in the Democratic primary Tuesday.

With more than half the precincts heard from Dickey had about 57,000 votes, Read 37,000, Warren Edwards 19,000, John T. Owen 17,000, Woodrow Carter 10,000 and Leo Nichols 11,000. The runoff election will be held in about a month.

Julius Selling Dies

Julius Selling, general agent of State Mutual Life in New York City, died on his 61st birthday. His son, Fred Selling, was co-general agent with him.



Mr. Selling went to work in life insurance in Germany early in his youth and rose to become director of agencies of Munich Life. Later he left to form his own organization making it the largest brokerage firm in southern Germany, having 20 branches and 300 agents. He left Germany in 1933 and spent two years in England. After coming to this country he became an agent for several companies until his appointment by State Mutual Life as associate general agent in 1941. Six months later he was named general agent. The organization developed into one of State Mutual Life's leading agencies.

Mr. Selling is shown with his son, Fred, in the accompanying photograph.

Edward J. Glynn has been named manager of Acacia's Toledo branch, succeeding William R. McKemie, transferred to Tampa. Mr. Glynn has been Toledo district manager for Northern Life since 1948.

Commonwealth Natural Gas Corp. has sold to New York Life, Life of Virginia, and Home Beneficial Life the first installment of a total issue of \$4,900,000 of first mortgage, 3½% pipeline bonds, due 1970.

Labor Seeks Living Over Death Benefits

An experienced group man says labor is more interested in obtaining in the next few years more so-called living benefits than death protection. One industrial firm recently planned to pay half of the cost of a \$5,000 group life policy for each employee and was quite surprised to find out that more than 90% of the employees wanted only \$2,000 worth. The demand for pensions is proof of labor interest in living benefits.

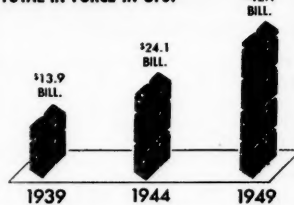
The trend will probably be toward more and larger pensions, temporary and total and permanent disability benefits, guaranteed annual wage, non-contributory rather than contributory plans, surgical and medical and hospital benefits for members and dependents, etc. The next major industry to feel union pressure for welfare benefits, now that the automobile and steel have completed negotiations, will be the oil, though its welfare plans have been liberal for many years. Labor also wants the right to work for several years past age 65.

Steals Premium Payments

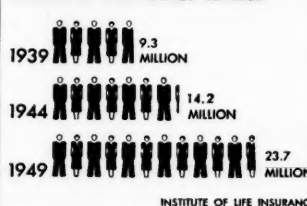
Walter J. Blake, an Indianapolis letter carrier, has been arrested and charged with mail thefts including some missing premium payments which caused life insurance policies to lapse.

GROUP LIFE INSURANCE HAS TREBLED IN DECADE

TOTAL IN FORCE IN U.S.



NUMBER OF INDIVIDUALS COVERED



INSTITUTE OF LIFE INSURANCE

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Certified Public Accountants
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Employee Benefit Plans

RICHMOND • ATLANTA



"BUT, DARLING - YOU HAVE NOTHING TO DECIDE. YOUR DAD HAS ALREADY TAKEN ME INTO HIS AGENCY."



A Ballad for MOVING DAY

...TO THANK ALL THOSE WHO HELPED BUILD
OUR NEW HOME OFFICE ON BROADWAY

We mark this morning with a star.
We're in! We've made it! Here we are—
Brand-new from floor to lofty ceiling
And brimming with that grateful feeling
Toward all who had a part to play
In MUTUAL'S Big Moving Day.
Planners or builders, great or small,
We thank you, thank you, one and all.

We thank you, riveter and blaster,
You men who laid our bricks and plaster,
You painters, plumbers, glaziers, roofers,
You carpenters and weather-proofers,
You engineers with charts and figgers,
You welders, borers, drillers, diggers
The folks who helped us grow and settle
With granite, plastic, wood or metal.

Thanks, Sirs, who tiled our many floors,
Supplied our magic-opening doors,
Installed our switchboards quite in due time,
Devised our clocks that tell the true time,
Contrived our lighting, clear but hidden,
Our courteous lifts that stop when bidden,
Or proved, with air conditioning,
Our only season here is Spring.

Thanks, real as any thanks can be,
Turner Construction Company;
While gratitude we shower warm on
You architects, Shreve, Lamb & Harmon.
We praise your plans, we love your labors.
But most of all, we thank you neighbors
Who suffered, patient, through our din
Of Building Up and Moving In.

In short, it's been a big success.
Now, since you know our new address,
We'd like to mention merely that
We've chalked a WELCOME on the mat.



THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

BROADWAY AT 55TH STREET



NEW YORK 19, NEW YORK

TELEPHONE: JEdison 6-4000

This ad appeared in New York City newspapers the day
The Mutual Life opened the doors of its new Home Office.

**Purpose of new Institute
Campaign:**

To stress role of the **Saver**

**Recommends three positive steps to
help protect the buying power of savings**

A new series of advertisements by the Institute of Life Insurance calls public attention to the important part which life insurance funds and other savings play in the nation's economy.

Directed to readers of 425 newspapers and major farm magazines having a total circulation of 45 million, the campaign pays tribute to policyholders and all savers, in the belief that the dynamic force of savings must be encouraged and maintained.

The theme of the campaign makes possible a positive, timely approach to a vital current situation. Beyond that, it opens the way for a discussion of various aspects of our national and economic life that affect the saver.

In the interest of policyholders and savers generally, the campaign—

- Makes clear that protecting the buying power of savings is *everybody's* job.
- Urges individuals to support economy and efficiency in Government . . . to help lessen pressures on Government for more spending.
- Points out that whatever Government spends must come out of the pockets of the individual, either directly through taxes or indirectly through prices.

This campaign can be expected to make a contribution to sound economic thinking and reflect credit on life insurance—the business that is dedicated to *helping American families help themselves*.

INSTITUTE OF LIFE INSURANCE

488 Madison Avenue, New York 22, N. Y.